CITY OF WHITEHORSE

# ANNUAL REPORT
# 2011/12

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**Vision**
We aspire to be an inclusive, vibrant, prosperous and sustainable community.

**Mission**
Whitehorse City Council, working with residents and businesses, will develop this municipality through good governance, proactive strategic planning, efficient, responsive services and quality infrastructure.

**Values**
In pursuing its goals, Whitehorse City Council believes in and is committed to these values:

**Consultation and Communication**
Ensuring that members of our community are both sufficiently informed and able to contribute to Council's decision-making processes.

**Democracy and Leadership**
Recognising and valuing community participation in Council's decision-making as well as Council's role in providing leadership to the community.

**Equity and Social Justice**
Sharing the benefits and burdens of living in this city, celebrating our cultural diversity and paying attention to the needs of our disadvantaged residents.

**Integrity**
Making decisions and acting in ways that reflect our values.

**Openness and Accountability**
Being transparent in its decision-making, Council welcomes public scrutiny and community feedback.

**Sustainability**
Making decisions about our social, economic, built and natural environments that will benefit both present and future generations.

**Wellbeing**
Developing a community that is aware of and seeks to achieve, personal and community wellbeing.

## SECTION ONE
# About Us

**Overview**
This report provides a guide to the achievements, performance and financial management Whitehorse City Council has delivered for the community from 1 July 2011 to 30 June 2012.

Our annual report is an important document that provides a transparent record of Council's performance in meeting its strategic objectives as set out in *Our Vision for Whitehorse 2006-2016* and the *Council Plan 2011-2015*. It also identifies challenges and difficulties Council has faced over the past 12 months.

**Why do we have an annual report?**
The *Victorian Local Government Act (1989)* requires all Councils to present an annual report to the Minister for Local Government by 30 September each year. As well as meeting this statutory requirement, the annual report reflects Council's values by ensuring its residents, businesses, staff and potential employees, state and federal politicians, peak bodies, community groups and organisations are sufficiently informed and able to contribute to Council's decision-making processes.

**Where to find this report**
Copies of this report are available at Council's Customer Service Centres at Nunawading, the Box Hill Town Hall and Forest Hill Chase Shopping Centre and at our libraries.

It can also be accessed electronically on Council's website at www.whitehorse.vic.gov.au

For further information, telephone Council on 9262 6333.

# Message from the Chief Executive Officer

**CHIEF EXECUTIVE OFFICER'S MESSAGE**
BY NOELENE DUFF

**Chief Executive Officer's Message**

I'm pleased to present Whitehorse City Council's *Annual Report 2011/12* and to share some of Council's many achievements from 1 July 2011 to 30 June 2012.

**2011/12 Budget**
Council adopted a $141 million *Budget 2011/12* that focused on maintaining current services and a capital works program with a strong emphasis on investment in existing facilities and infrastructure.

The Budget process includes both operating and capital Budgets for the city. Council establishes Budget parameters such as capital projects to be included and how they will be financed, long-term borrowing and the end target for the total Budget. This includes any fee increases additional changes imposed on Council by other levels of government, increases to direct costs incurred by Council (such as utility charges) as well as detailed analysis of all projected Council costs for the year ahead. All proposed capital projects go through a justification and evaluation process by Councillors before they are added to the Budget. This draft is then required to be presented to the community for comment. Following this, Council then reviews the Proposed Budget and it is again presented to Council for final adoption.

Council's long-term planning strategy is aimed at creating a sustainable fiscal environment to enable Council to continue to provide the community with high quality services and infrastructure into the medium and long-term. The financial plan is a continuation of Council's responsible financial program and its fundamental aim is an assured platform of services and facilities in the city.

The *Budget 2011/12* was delivered in line with Council's *Long-Term Financial Plan* and presented a responsible solution to current pressures facing the organisation and the community. It responded to the community's needs as identified through the many layers of consultation processes that occur throughout the year.

Council produced a Budget that retained all existing services and enhanced a range of services and facilities. Significant resources were allocated to a number of key projects in the Capital Works Program at $29.17 million.

This delivered a range of improvements to sports and recreation facilities, community centres, roads, paths, parks and trees.

For 2011/12 the total Capital Works Program Budget was generated from the following sources:

- $25.15m from Council's operations Budget;
- $2.01m from external grants and contributions
- $1.04m from reserves; and
- $0.98m from plant asset sales.

In addition to improving the sustainability of the services and projects that Council delivers on a day-to-day basis, there was an increased focus on programs that engage and empower the community to take more sustainable actions at home, work and play.

Key Budget information is provided below including key highlights the rate increase, operating result, capital works and financial sustainability.

The Budget was carefully prepared following community consultation throughout the year and was guided by priorities outlined in key strategic documents – including the *Council Plan 2011-2015*, *Strategic Resource Plan* and other major plans and strategies. Consultation is a major area of focus for the City of Whitehorse.

Council is continually attempting to expand the methods of consultation particularly when formulating its annual Budget. This year we continued to enhance the level and timing of consultation prior to the commencement of the Budget deliberations which included the following:

- Attendance at the Spring Festival
- Ward Forums
- Budget Survey distribution
- Annual Residents' Survey
- Budget specific questions incorporated in the Annual Residents' Survey and
- Budget Reference Group with Councillors that met monthly.

While planning the Budget, Council's priorities were to maintain Council assets to ensure their sustainability and providing high quality services to our community and residents. This included the provision of over $97 million towards core services such as Home and Community Care, Health and Family Services, Waste and Recycling and Libraries.

There was also the focus on the year's Capital Works Program with $29.17 million focused on improvements to leisure facilities, roads renewal and upgrade and urban improvement in the city's central activity areas.

In essence we are determined to maintain Council's excellent track record on service delivery and improving infrastructure with a view of tackling some big projects for the future benefit of Whitehorse.

**KEY HIGHLIGHTS OF THE BUDGET**
**Over $97 million for Core Services including:**

- $14.3m Home and Community Care
- $11.6m Health and Family Services
- $12.1m EcoVision, Waste and Recycling
- $8.1m Leisure Facilities
- $8.4m ParksWide (maintenance of sports fields, parks and gardens)
- $6.0m Recycling and Waste Centre
- $6.4m Engineering
- $6.3m City Works (depot operations, maintenance of footpaths, drains and roads)
- $5.0m Planning and Building Services
- $4.5m Arts and Cultural Services
- $4.1m Compliance (Traffic and Community Laws)
- $4.2m Libraries
- $3.4m Facilities Maintenance and Capital Works Management
- $1.9m Community Development
- $0.9m Business and Economic Development

**A strong Capital Works Program of $29.17 million including:**

- $8.5m to upgrade buildings throughout the city (including $2.8m for the commencement of Aqualink Box Hill major redevelopment)
- $7.1m for improvements to roads, footpaths and traffic management
- $4.7m for improvements to parks, sports fields and playgrounds
- $2.9 for urban improvements
- $1.0m for drainage improvements
- $0.3m for Council's street tree planting program in line with the Street Tree Policy

**KEY PRESSURES AND CHALLENGES**
When setting the *Budget 2011/12* Council considered a number of key pressures and challenges including:

- Rising utility and insurance costs well in excess of CPI increases.
- Community expectations to introduce environmental sustainability initiatives.
- Recovery efforts following extreme weather events i.e. flood and storm damage.
- Increase contract costs for cyclical tree pruning and kerbside garbage collection.
- The increase in the landfill levy set by the state government (47 per cent).
- Cost shifting from state and federal governments.
- Change in demographic as a result of an ageing population.

As well as external influences, there were also a number of internal influences arising from the 2010/11 year, which had a significant impact on the setting of the Budget for 2011/12. These included:

- Enterprise Agreement wage increase of 3.50 per cent.
- Redevelopment of Aqualink Box Hill.
- The cost of maintaining Council's assets including infrastructure. This was to ensure that infrastructure and assets were provided to support services that are appropriate, accessible, responsive and sustainable to the community

**FINANCIAL SUSTAINABILITY**

- Emphasis was given to developing a responsible longer-term plan that met the needs of all sections of our community and appropriately invested in maintaining Council's community assets.
- Council has been guided by the need for continuing cost constraint without causing disruption to core community services and continuing to implement Council approved strategies. Such strategies include the *Whitehorse Open Space Strategy*, the *Bushland Reserves Fire Management Review* and the *Whitehorse Retail Strategy*.

- Good progress is being made towards meeting the Victorian Auditor-General financial sustainability measures, something that Councillors see as an important legacy for the future.

**RATES**

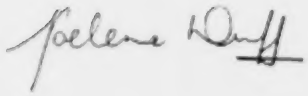
The general rate was increased by 8 per cent plus 0.73 per cent for the state government landfill levy that was imposed last financial year. The rate increase was carefully reviewed and Council believed the additional funds required to ensure the city's investment in infrastructure renewal and upgrades continued at a high level. As a result, Council was able to commence key projects such as the *Box Hill Gardens Master Plan*, the restoration of Surrey Dive restoration in association with the major Aqualink Box Hill Redevelopment and Springfield and Billabong Reserve Pavilion upgrades. Together with an acceleration or renewal works in the Box Hill Business District and commencement of the Nunawading Retail Precinct improvements. This presents a strong additional commitment to the city's future infrastructure.

With the proposed rate increase Whitehorse continued to have one of the lowest levels of rates in metropolitan Victoria, maintaining high quality services and facilities, while accelerating key strategic capital projects.

Council is extremely proud of the efforts made to improve facilities and buildings within the community and will strive to continue to deliver quality services and opportunities to our entire Whitehorse community.

I would also like to thank my executive team and Council officers who are committed to Council's values and dedicated to serving our residents, ratepayers, Councillors and any organisation or individual that requires their assistance.

I hope that you are able to find the time to read through this comprehensive document and discover more about the services, activities and financial details of Council.



**Noelene Duff**
**Chief Executive Officer**

# Your Council

**About Local Government**
Local government is one of the three tiers of government in Australia: federal, state/territory and local.

It is the most accessible level of government for the average citizen. Whitehorse City Council is one of 79 municipalities in Victoria, which range from big metropolitan cities to small country shires.

Whitehorse City Council, like state and federal governments, has a 'legislature' made up of elected representatives (Councillors). Councillors are concerned citizens who have offered themselves for election as representatives of the residents of the city's electoral wards. They receive no salary, just an annual allowance.

For more information about Victorian Local Government, visit the websites of:

- Municipal Association of Victoria (MAV) www.mav.asn.au
- Local Government Professionals (LGPro) www.lgpro.com
- Australian Local Government Association www.alga.asn.au
- Department of Planning and Community Development www.localgovernment.vic.gov.au

# Your Councillors

Whitehorse City Council has ten Councillors elected by residents to govern the city. Councillors work together to set Council's strategic direction and to make important decisions regarding the whole municipality. In making these decisions, Councillors consider the views of, and consult with, the community. They also work closely with the Chief Executive Officer and Council administration.

The City of Whitehorse is divided into five wards: Central, Elgar, Morack, Riversdale and Springfield. Two Councillors are elected to represent each ward, every four years. The Mayor is elected by the Councillors to serve as the principal ambassador for the city for a twelve-month term.

Whitehorse City Council conducts a monthly Ordinary Council meeting as the formal process to discuss Council business. This meeting is where Councillors make decisions, state opinions, approve proposals, fulfil the statutory requirements of Council, approve its Budget and expenditure and plan for the future. This meeting has specific procedural requirements that must be adhered to in accordance with Council's Local Law Meeting Procedure.
Whitehorse City Council established Special Committee meetings to provide the community with a forum to raise matters relevant to Council that are not able to be heard at Ordinary Council meetings due to procedural or time constraints.

Special Committee meetings enhance the consultative process and facilitate public participation and involvement of the community in Council decision-making.

Special Committee meetings are primarily for:

- Public submissions on matters other than land planning.
- Other business Councillors want to flag for the next meeting.
- Public comment on matters discussed at the Special Committee meeting.
- These are all matters of business that cannot be raised at Ordinary Council meetings.

The following Councillors are elected to serve until the Local Government Elections in October 2012. (Wards listed alphabetically):

**Central Ward**
**Cr Andrew Munroe**
PO Box 30,
Blackburn 3130
Phone: 9878 8235
andrew.munroe@
whitehorse.vic.gov.au

**Cr Bill Pemberton**
18 Main Street, Blackburn 3130
Phone: 9877 2062
bill.pemberton@
whitehorse.vic.gov.au

**Elgar Ward**
**Cr Robert Chong AM**
PO Box 34,
Box Hill 3128
Phone: 9894 3713
robert.chong@
whitehorse.vic.gov.au

**Cr Helen Harris OAM**
40 William Street,
Box Hill 3128
Phone: 9897 1312
helen.harris@
whitehorse.vic.gov.au

**Morack Ward**
**Cr Mark Lane, Mayor**
PO Box 4209, Burwood East 3151
Phone: 9877 6956
mark.lane@
whitehorse.vic.gov.au

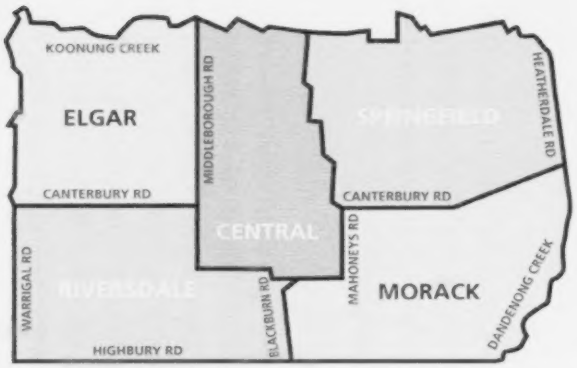
**Cr Raylene Carr**
PO Box 6060, Vermont South 3133
Phone: 9803 0913
raylene.carr@
whitehorse.vic.gov.au

**Riversdale Ward**
**Cr Sharon Ellis**
PO Box 8178, Burwood Heights 3151
Phone: 9890 8057
sharon.ellis@
whitehorse.vic.gov.au

**Cr John Koutras**
PO Box 8066, Burwood Heights 3151
Phone: 9888 8732
john.koutras@
whitehorse.vic.gov.au

**Springfield Ward**
**Cr Philip Daw**
PO Box 2152, Rangeview 3132
Phone: 9873 3108
philip.daw@
whitehorse.vic.gov.au

**Cr Ben Stennett**
PO Box 120, Nunawading 3131
Phone: 9878 2472
ben.stennett@
whitehorse.vic.gov.au



# About Whitehorse

**Our Location**
The City of Whitehorse is located just 15 kilometres east of Melbourne and covers an area of 64 square kilometres. The municipality is bounded by the City of Manningham to the north, the Cities of Maroondah and Knox to the east, the City of Monash to the south and the City of Boroondara to the west. Whitehorse's suburbs include Blackburn, Blackburn North, Blackburn South, Box Hill, Box Hill North, Box Hill South, Burwood, Burwood East, Forest Hill, Mitcham, Mont Albert, Mont Albert North, Nunawading, Surrey Hills, Vermont and Vermont South.

**Our Residents**
Whitehorse has a population of approximately 157,427 residents with more than one-third (34 per cent) born overseas. The 2006 Census data shows that more than 110 different languages are spoken by residents of the city. The most common languages other than English are Mandarin, Cantonese, Greek, Italian, Vietnamese, Hindi, Sinhalese, Korean, Indonesian, Punjabi and German.

The 2011 Census data also reveals that approximately 66 per cent of Whitehorse's residents are aged between 18 and 69, 21 per cent are aged under 18 years and 13 per cent are aged over 70.

Volunteering is an important part of the lives of many people living in Whitehorse with 20.2 per cent of residents volunteering to help the community in some capacity compared to 15.6 per cent for the Melbourne average.

**Our History**
The City of Whitehorse was proclaimed in December 1994, following the amalgamation of the former cities of Box Hill and Nunawading. The birth of the city reunited the suburbs that formed the original Shire of Nunawading more than one hundred years ago.

The municipality derives its name and logo from a white horse statue, dating back to the 1850s, that adorned the front entrance of the city's first hotel the White Horse Inn. The statue's history is bound up with a temperance campaign. In 1920, the year prohibition officially came into force in the United States, local option polls were undertaken and the Nunawading district, which included Box Hill, was one of only two in Victoria which voted to completely ban liquor licensing. As a result, the White Horse Inn, opened in 1853, was forced to cease trading. It became a boarding house until 1933 when it was demolished. At that time the owners donated the old hotel's symbol, the white horse statue, to the city and it was erected on the former site of the hotel. The white horse symbolises the city's identity and appeared on the former City of Box Hill's coat of arms.

Tom Roberts, one of Australia's greatest landscape painters, came to Box Hill shortly after returning from a trip to France and Spain, where he had fallen under the spell of the impressionist movement. He was determined to capture the play of light and shade in the Australian countryside and was attracted by the open country that surrounded Box Hill. He was joined by several of Australia's most famous artists from 1885 to 1888.

Roberts and his friend and fellow painter, Frederick McCubbin, dissatisfied with the conservative approach to landscape painting which existed in most of Australia's art schools, chose Houston's Farm at Box Hill. They were soon joined by a number of other artists including Arthur Streeton, Louis Abrahams, Charles Colder, Jane Sutherland, Tom Humphrey and John Mather.

The City of Whitehorse has an impressive art collection containing a total of nine works by members of the Box Hill Artists' Camp, including McCubbin, Roberts and Streeton.

**Our Logo**
The city's logo is modelled on the knight, which is one of the most powerful and flexible pieces in the game of chess. The significance of the white horse emanates

from the historical and mythological representation of strength, courage and fertility. The symbol of the white horse in Celtic mythology comes from the Goddess Epona (Gaul), Macha (Eire) and Rhiannon (Britain), each a guardian of good fortune 'for monarch and tribe'. In astrology the white horse characterises freedom, strength and growth.

**Our Services and Facilities**
Whitehorse Council provides more than 100 high quality services and facilities across a range of areas including Community Services, Environmental Services, Customer Services, Health and Wellbeing, Planning and Building, Parks and Gardens and more.

**Our Assets**
The City of Whitehorse has a broad base of infrastructure assets, which provide services for our community. Over 700 kilometres of roads, 1300 kilometres of footpaths, 839 kilometres of stormwater drainage network, 375 buildings and facilities, including Early Childhood and Maternal Care, Leisure and Recreation, Community and Cultural facilities, 60 sports fields, 169 playgrounds and 75,000 street trees as well as extensive bushland and parkland.

**Our Staff**
Council values its staff and the contribution they make to the organisation and the wider community. Council's workforce is approximately 1179 employees, many of these in part-time roles. As at 30 June 2012, there were 666.37 Equivalent Full-Time (EFT) positions. Whitehorse has a high percentage of staff who live locally with approximately 41.9 per cent of the workforce, (494 staff members) living in the municipality.

**Our Features**
Whitehorse is characterised by quiet tree-lined residential streets (with some areas dating back to the 1940s), a wealth of parks, gardens and natural bushland reserves, a range of bustling shopping centres, many arts and cultural opportunities, sports and leisure facilities.

The Whitehorse community has access to an extensive public transport system with trains, trams and buses all widely serving the area. Whitehorse boasts some of the region's leading educational, medical and leisure facilities and is home to the largest high technology precinct in eastern Melbourne, placing it at the cutting edge of the telecommunications, multimedia and information technology industry.
Whitehorse also has a $6 billion local economy generated by 60,000 local jobs and 8000 local businesses.

**Our Local Attractions**
Whitehorse has many attractions for its residents and visitors to discover and experience including:

- Box Hill Town Hall which is a vibrant hub for Whitehorse community groups incorporating an accredited art space to display Council's comprehensive art collection and a convenient meeting place for local businesses.
- The Whitehorse Centre, the city's premier arts and cultural centre, attracts thousands of theatre lovers each year. The Whitehorse Professional Theatre and Music Season showcases some of the best professional theatre from around the country at the centre.
- Schwerkolt Cottage and Museum complex in Mitcham is a heritage-listed pioneer's stone cottage in a garden setting surrounded by 2.25 hectares of bushland. This popular attraction is open to the community on weekends.
- The Box Hill Community Arts Centre is an artistic and cultural hub and home to a wide variety of local arts and community groups. The centre offers art and craft classes, an exhibition space, art shop and community meeting space.
- Blackburn Lake Sanctuary is one of the area's most important environmental assets and is regarded as one of the most significant bird refuges in metropolitan Melbourne.
- Sportlink Vermont South, Aqualink Nunawading and Aqualink Box Hill are

recreational facilities that attract thousands of people each week.
- An outstanding range of community events and festivals, including Australia Day celebrations, the annual Spring Festival, Swing Pop Boom! Music series and the Christmas Carols Celebration at the Sound Shell.

**Office and Contact Details**
Council's main administration office and Customer Service Centre is located at:

Whitehorse Civic Centre
379-397 Whitehorse Rd,
Nunawading Vic 3131

Hours: Weekdays 8.30am-5.30pm
Cashiers open for payment weekdays 8.40am-5pm

Other service centres are located at:

Box Hill Town Hall
1022 Whitehorse Rd,
Box Hill Vic 3128

Hours: Weekdays 9am-5pm

Forest Hill Chase Shopping Centre
Level 2 (T275)
Canterbury Rd,
Forest Hill Vic 3131

Hours: Weekdays 9am-5pm,
Saturday 9am-12pm

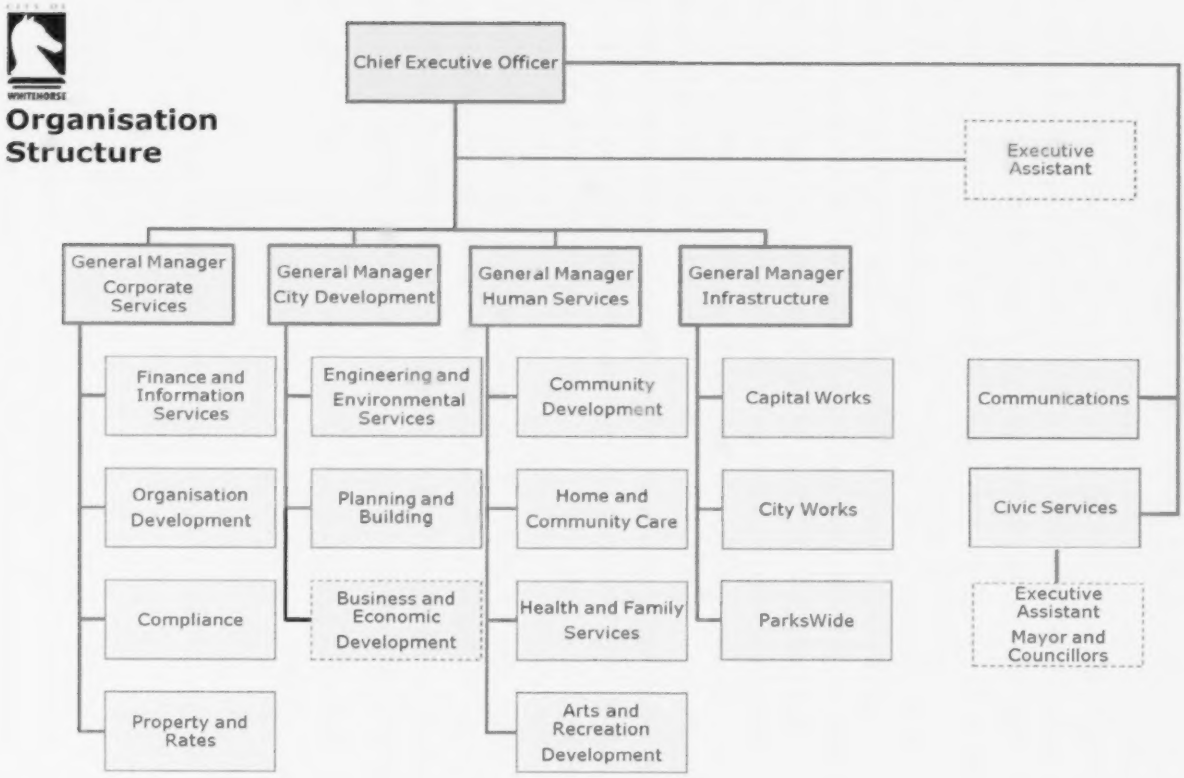
Council's postal address is:
Whitehorse City Council
Locked Bag 2,
Nunawading DC VIC 3131

Phone: 9262 6333
Fax: 9262 6490
TTY: 9262 6325(Service for deaf or hearing impaired people)
TIS: 131 450 (Telephone interpreter service. Call and ask to be connected to Whitehorse City Council)

Email:
customer.service@whitehorse.vic.gov.au

Website: www.whitehorse.vic.gov.au

# Our Organisation



# Executive Management Team

Whitehorse City Council's Executive Management Team (EMT) comprises the Chief Executive Officer (CEO) and four General Managers who are responsible for the following divisions:

- Executive Services
- Corporate Services
- City Development
- Human Services
- Infrastructure

**Executive Profiles**

**Noelene Duff**
*Chief Executive Officer*

Prior to joining Whitehorse City Council in 2000, Noelene was Director of Customer Services at the City of Monash and head held management roles in State and Local Government including Senior Policy Advisor Department of Premier and Cabinet and the Department of Human Services of Victoria. She also worked as a social worker in local government, as well as the community and volunteer sectors.

Noelene has a Master in Business, Graduate Diploma in Business, Bachelor of Social Work and Bachelor of Arts. Professional roles have included President of Local Government Managers Australia (LGMA), the national peak body for Local Government Managers, President of Local Government Professionals (LGPro), the Victorian association for Local Government Professionals. She is also a Fellow of the Australian Institute of Company Directors (AICD), the Institute of Public Affairs Australia (IPAA), Australian Institute of Management (AIM), LGMA and LGPro. Noelene is Vice President of the Box Hill Institute Board, Executive and Audit Advisory Committee. Noelene has the privilege to serve as Vice President of the International City/County Managers Association based in Washington.

**Areas of Responsibility:** As CEO, Noelene is responsible for the $141 million Budget, the overall management and performance of all Council operations. Four General Managers report to her and she is directly responsible for the Civic Services and Communications Departments.

**HIGHLIGHTS OF 2011/12**

- Continued strong financial management
- Strong stewardship of Council's diverse asset portfolio
- High levels of community satisfaction
- Strong commitment to community consultation and engagement.

**CHALLENGES AHEAD**

- Dealing with the impact of population change and its impact on our environment
- Continuing our investment in asset renewal
- Understanding the impact of changing state and federal government policy.

**Peter Smith**
*General Manager Corporate Services*

Peter came to Whitehorse City Council in July 2007 following nine years at Telstra and most recently as General Financial Manager Assurance and Development. Prior to this he held various corporate and financial roles with Eastman Kodak Asia Pacific in Tokyo and Kodak Australasia.

Peter has a Bachelor of Commerce from

Melbourne University and is a registered CPA with the Australian Society of Accountants. He is also a Graduate Australian Institute of Company Directors

**Areas of Responsibility:** Finance and Information Services, Organisation Development, Compliance (Community Laws and Parking) and Property and Rates.

**HIGHLIGHTS OF 2011/12**

- Installation of Council's new telecommunications systems
- Business continuity planning in IT disaster recovery planning well in advance
- Developed the *Council Property Lease and Licensing Policy* for Council owned land and buildings.

**CHALLENGES AHEAD**

- Growing compliance and legislative obligations including emerging emergency management responsibilities
- Procurement processes and structure that delivers best practice and highest value
- Equitable and sustainable long-term funding for community asset management and upgrade
- Completion of OHS and Injury Management best practice WorkSafe project
- Preparation for billing and collection of the Fire Services Levy from July 2013.

**Julie Reid**
*General Manager City Development*

Julie joined Council in January 2009. Prior to joining Whitehorse City Council she worked at a number of Councils in Victoria, New South Wales and the United Kingdom including the City of Bayside, City of Westminster (UK), Lancashire County Council (UK), Wollondilly Shire Council, Gloucester Shire Council and the City of Berwick. She has extensive experience in land use and environmental planning, strategy and policy development.

Julie has a Bachelor of Arts (Urban Studies), Master of Planning, Graduate Diploma of Management (Distinction). Julie is a Certified Practising Planner with the Planning Institute of Australia and a Board Member of the Victorian Planning and Environmental Law Association.

**Areas of Responsibility:** Planning, Building, Engineering and Environmental Services, Business and Economic Development.

**HIGHLIGHTS OF 2011/12**

- Delivery of $7.1 million worth of capital works improvements to roads, footpaths and traffic management improvements
- Delivery of $2.9 million worth of capital works for urban improvements
- Review of the *Whitehorse Integrated Transport Strategy*
- Development of a *Peak Oil Strategy*
- Implementation of Planning Scheme Review.

**CHALLENGES AHEAD**

- Seeking funding to support Box Hill Central Activities Area
- Influencing development of the state government's new *Metropolitan Planning Strategy*.

**Terry Wilkinson**
*General Manager Human Services*

Prior to joining Whitehorse City Council in 2003, Terry had extensive experience working in the Human Services area of local government with positions at the City of Maroondah and the Shire of Yarra Ranges. She has also worked in not-for-profit child and family support agencies.

Terry has a Master of Business Administration and a Graduate Diploma in Business Administration, Fellow LGMA, and is a Graduate of the Australian Institute of Company Directors.

**Areas of Responsibility:** Home and Community Care, Arts and Recreation Development, Community Development, Health and Family Services and Library Services.

**HIGHLIGHTS OF 2011/12**

- Excellent Spring Festival and Australia Day events delivered
- High satisfaction survey results received for Human Services
- Successful Seniors Festival
- Work of the Whitehorse Youth Representative Committee
- Aqualink Box Hill Redevelopment.

**CHALLENGES AHEAD**

- Ongoing advocacy for increased funding
- The implementation of the new children services regulations and the increasing costs for childcare
- Workforce planning – ensuring Council's Human Services has the right people with the right skills that can continue to deliver services for the community
- An ageing population and the increasing demand for services and support.

**Phil Warner**
*General Manager Infrastructure*

Phil joined Whitehorse City council in 1995 and has held a number of different management positions within Council. Phil was appointed to his current position as General Manager Infrastructure in June 2003. He has extensive experience in local government management roles including Manager Strategic Projects and Manager Statutory and Development Services.

Phil has a Diploma of Environmental Science, a Graduate Diploma in Highway and Traffic Engineering and is a Graduate of the Australian Institute of Company Directors. Member of Australian Institute of Company Directors. Fellow of LGPro and Institute of Public Works Engineering Australia.

**Areas of Responsibility:** Capital Works, City Works and ParksWide Departments Aqualink Box Hill Redevelopment.

**HIGHLIGHTS OF 2011/12**

- Increase in recycling of materials following the upgrade of the infrastructure and changes to the operation of the Whitehorse Recycling and Waste Centre
- Compliance with Council's obligations under the revised *Road Management Plan*
- Managing the rehabilitation of Council's infrastructure after numerous severe storm events.

**CHALLENGES AHEAD**

- Implementation of a Whitehorse Asset Management System
- Investment in Council's existing assets to ensure that an appropriate level of service can be delivered to the community
- Managing stormwater and open space assets in challenging climate conditions
- Aqualink Box Hill Redevelopment.

# Our Staff

Whitehorse City Council values the contribution of its dedicated people in delivering more than 100 different services to 157,000 residents in the community. Our staff assist in managing Council assets valued at approximately $1.9 billion.

Council prides itself on providing a safe and enjoyable working environment and management is committed to ensuring the wellbeing and harmony of all employees to ensure they achieve Council's objectives to the best of their ability.

Council's *Human Resources Strategic Framework* and its *Collective Agreement 2009* are central to its human resource management strategies. The core values and standards of performance required by all staff are set out in the agreement highlighting teamwork, professionalism and a commitment to residents and customers.

Staff Profile

- Full time: 403 (compared with 386 in 2010/11)
- Part time: 436 (compared with 432 in 2010/11)
- Casual: 340 (compared with 347 in 2010/11)
- Females: 770
- Males: 409

In 2011/12 there were 138 vacancies advertised for the organisation, the majority being vacancies from employees leaving the organisation or being promoted.

The turnover rate for Council staff overall was approximately 12.5 per cent.

**Listening to Our Staff**

Whitehorse City Council employees are consulted in a range of ways including a comprehensive intranet service. The Whitehorse City Council Consultative Committee is an important consultation mechanism for employees comprising five employee delegates and five management representatives who oversee industrial issues and provide advice to management on developing a harmonious, productive and satisfying workplace.

The committee has recently negotiated the *Whitehorse City Council Agreement 2012*. The agreement provides Council with an ongoing and constructive employee relations framework. Council conducted a series of employee Listening Forums and a staff survey, in preparation for the Collective Agreement negotiations.

Extensive consultation mechanisms are also in place for Occupational Health and Safety (OHS) processes.

**Family Friendly / Work Life Balance**

Whitehorse City Council strives to be an employer of choice and is committed to assisting employees in managing the balance between work, family and outside interests. Council's wide range of flexible work practices and family friendly provisions include:

- The ability to purchase additional annual leave
- Return to work on reduced hours (part time) after parental leave until children have reached school age
- Job-share arrangements to assist staff balance work and other responsibilities.
- Phased retirement
- Working from home
- Flexible hour arrangements
- Paid maternity (16 weeks) and paternity (2 weeks) leave
- Assisting with the cost of childcare for out of hours meetings that employees are required to attend
- Carer's leave.

**Equal Opportunity and Human Rights**

Council is committed to providing a workplace free of all forms of discrimination, bullying and harassment. It aims for equality of opportunity for all employees and ensuring that the principles of the *Human Rights Charter* are embedded in our employee policies, practices and culture.

The objective of Council's *Equal*

*Opportunity* (EO) *Policy* and activities are to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation. Further objectives include ensuring the workplace is free from bullying and harassment. The objectives and indicators of the EO Program continue to be monitored on an ongoing basis by the Equal Opportunity and Human Rights Committee that meets regularly to promote employee and management awareness, consider relevant issues and contribute to resolution and advice.

**Learning and Development**
Council encourages all employees to reach their full potential by pursuing and developing their career and professional interests. A range of formal and informal learning opportunities and development activities are provided. These have been identified in consultation with management and employees through Council's Performance Appraisal and Development Program.

These opportunities include:
- Corporate Training: learning and development which increases organisational capacity in management and skill development e.g. professional development, Leadership and Self Awareness, Technical and Computer Skills and OHS
- Departmental Training: specific training to improve and develop departmental or divisional service delivery e.g. tailored team building
- Accredited Training: training which provides the participant with a nationally recognised formal qualification e.g. Diploma of Management
- Positional Training: specific training to perform the duties of the position
- Seminars/Conferences: attendance at relevant conferences and seminars to assist with professional development
- Career Development: focusing on long-term career development and career planning e.g. study assistance to pursue relevant tertiary courses and the use of traineeships to introduce new employees into the organisation while they study
- Compliance Training: sessions relating to the welfare of staff such as Equal Employment Opportunity, Human Rights Charter, Bullying and Harassment Prevention, Privacy, Fraud Prevention.

**Occupational Health and Safety and Work Cover**
Whitehorse City Council is committed to providing a work environment that is safe and without risk to health and safety. Employee consultation in relation to OHS occurs on several levels. The Corporate OHS Consultative Committee is the main consultative mechanism however consultation also occurs via local OHS team meetings and is also integrated into other health and safety processes (e.g. Hazard Inspection, Risk Assessment).

OHS training is delivered on two levels. At the corporate level OHS training is delivered via the Learning and Development training calendar and operationally OHS training is delivered via individual department training plans.

**Health and Safety Achievements in 2011/12:**
- WorkCover claims significantly reduced
- Review and update of six corporate OHS policies
- Continued to provide health check program to employees
- Reduced the number of reported injuries
- Manual Handling Mentoring program training over 200 staff in good practice and health
- Utilisation of Worker's Compensation insurance agent risk management fund for: Manual Handling mentoring program, Manual Handling risk assessments, Ageing Training and Contractor training
- Expansion of Tag and Test program
- Provision of wheelie bags for HACC employees and lightweight

equipment that has reduced the weight to carry to under 5 kg for each operator.

# Working with our Community

In pursuing its goals Whitehorse City Council believes in and is committed to consulting and communicating with the community.

These actions form part of Council's values and ensure that members of our community are sufficiently informed and able to contribute to Council's decision-making processes.

Council regularly invites people who live, work or study in the municipality to provide feedback on ideas and plans. Council also carefully considers annual community surveys that offer a close look at Council's performance. This section reports on some of the ways Council has heard from its community to develop strategies and plans throughout 2011/12.

**Community Consultation**

Council values the ideas and contribution provided by its local community and regularly seeks feedback on proposed plans and strategies. Council also has appointed advisory committees which provide regular feedback on the development of specific areas of work. In the 2011/12 year, Council invited the community to comment on the following matters through forums, surveys, online and written submissions, face to face meetings and submissions to Council's Special Committee meetings:

- Annual Combined Nursery Forum (ParksWide Nursery, Greenlink Nursery and Bungalook Nursery)
- Australia Day Civic Award Nominations
- Annual Parkland Community Forum
- *Annual Residents' Survey*
- Aqualink Box Hill Redevelopment
- Aqualink Nunawading
- *Asset Management Systems Policy*
- Bill Sewart Athletic Track Redevelopment and track floodlighting
- Billabong Park Pavilion Redevelopment
- Box Hill Gardens Multi Purpose Area and Circuit Path Design
- *Blackburn Station Village Business Plan*
- *Budget 2012/13*
- *Bushland Reserves Fire Management Strategy*
- *Climate Change Adaptation Plan*
- *Community Facilities Funding Program*
- East Burwood Velodrome
- Eley Park Tennis Clubroom kitchen and bathroom upgrade
- Essential Safety Measures (ESM) program
- Forest Hill Reserve Cricket net relocation
- *Get Active in Parks Study*
- Heritage Assistance Fund applications
- Kalang Wetland Development
- Mahoney's Reserve accessibility access, car park, pathway and terrace steps and railings
- MegaMile Marketing Plan
- Metropolitan Transport Forum (MTF) survey as a member of the MTF
- *Mont Albert Reserve Concept Plan*
- Morton Park west sportsfield upgrade
- Planning application consultation forums undertaken as required
- Planning scheme amendments as required
- 2011 Parkland Community Forum
- Proposed road discontinuances
- pt4me2 poll as Council member of the Metropolitan Transport Forum
- *Scouts and Girl Guides Strategic Plan*
- Surrey Park disabled carpark
- Surveys at all Council events and festivals such as Spring Festival and the Whitehorse Carols Concert
- Surveys at Council facilities including Schwerkolt Cottage, the Whitehorse Centre and the Box Hill Art Space
- Springfield Park Pavilion Redevelopment and west sports field perimeter fence
- Vermont Skate Park replacement of signage and seats
- Vermont Canteen upgrade
- Various playground upgrades – consultation with local residents and those who use the playgrounds
- Traffic treatments and parking

changes

- Warm Season Grass Transfer eight sports fields – consultation with affected clubs and associations
- *Waste Management Plan*
- *Whitehorse Affordable Housing Policy*
- *Whitehorse Arts and Culture Strategy Study*
- *Whitehorse Business Mentoring Survey*
- *Whitehorse Centre Feasibility Study*
- *Whitehorse Disability Policy and Action Plan*
- *Whitehorse Diversity Policy and Action Plan*
- *Whitehorse Positive Ageing Strategy*
- *Whitehorse Recreation Strategy*
- *Whitehorse Retail Strategy*
- *Whitehorse Sustainability Awards*
- Current community consultations can be found throughout the year on Council's website at www.whitehorse.vic.gov.au/Consulting-the-Community.html
- Council has a number of community advisory committees that provide a more formal opportunity for community input. These committees include:
- Bicycle Advisory Committee
- City of Whitehorse Scholarship Committee
- Disability Advisory Committee
- Heritage Steering Committee
- Human Services Advisory Group
- Parkland Advisory Committees
- Reconciliation Policy and Action Plan Advisory Committee
- Visual Arts Committee.

# What Our Community Thinks of Us

Whitehorse City Council uses the results from a range of surveys, including a Council commissioned *Annual Residents' Survey* to specifically measure resident satisfaction with Council's performance. The results of the survey is used to find areas for improvement, to help prepare the annual Budget and to plan for the future.

**2011 Annual Residents' Survey**
Whitehorse residents continued to be highly satisfied with the delivery of Council services, according to results of the 2011 *Annual Residents' Survey*.

Council commissioned Nexus Research to conduct a community survey in November 2011.

Surveys were mailed to random selection of 1250 Whitehorse residents with 354 returned (a 29 per cent response rate), which is considered a good response. The same level of response was provided in 2011 as the previous survey conducted in November 2010.

Of the residents surveyed, 92 per cent were satisfied with the overall performance of Council and 93 per cent considered their quality of life to be adequate or better.

The November 2011 survey showed improvements had occurred in a number of Council service delivery areas including:

- Road surfaces safe and comfortable up 9 per cent to 98 per cent
- Community Sports Fields up 3 per cent to 90 per cent
- Maintenance of parks and open spaces up 11 per cent to 98 per cent
- Natural bush areas up 5 per cent to 92 per cent
- Maintenance of public places up 8 per cent to 98 per cent.

**Other top performing areas were:**

- Garbage collection at 97 per cent
- Household Recycling Collection at 94 per cent
- Immunisation services up 2 per cent to 96 per cent
- Maternal and child health at 92 per cent
- Child care services at 88 per cent.
- Family day care at 88 per cent
- Facilities and programs at Aqualink Nunawading at 89 per cent
- Facilities and programs at Aqualink Box Hill at 89 per cent
- Facilities and programs at Whitehorse Centre at 94 per cent
- Schwerkolt Cottage and Museum Complex at 96 per cent
- Libraries at 93 per cent.

Council believes the annual community survey is an important consultation tool, with results used to identify service areas requiring improvement as well as providing input into Council's Budget and financial planning.

The November 2011 survey highlighted several areas for improvement including footpath maintenance, maintenance of shopping centres, road surfaces, maintenance of parks and open spaces and traffic management in local streets. Council is committed to maintaining high satisfaction levels and improving areas such as these to ensure the best possible services are provided to residents.

SECTION TWO

# Highlights

## Services We Delivered

Each year Whitehorse City Council provides more than 100 different services and programs for the community in areas such as aged care, children, family and youth, leisure, culture and the arts, community development, libraries, parks and open space, community festivals and events, waste and recycling, roads, drains, footpaths and other infrastructure. This section provides a summary of some of Council's services (listed alphabetically) that were provided throughout 2011/12. Complete departmental reports begin on page 53 of this annual report.

**Arts and Culture Services**
**Services Provided:** A program including performing arts and functions at the Whitehorse Centre, visual art classes and room hire at the Box Hill Community Arts Centre, management of Box Hill Town Hall including the Art Space and exhibition program, Schwerkolt museum and heritage site management, free events, markets and major festivals.

**Services Delivered in 2011/12**

- Box Hill Community Arts Centre:67,760 patrons, school holiday program 2,028 children; courses and workshops 5,238 participants; 34 exhibitions
- Whitehorse Centre: 14,711 patrons attended professional Theatre and Midweek Season performances
- Council managed festivals and events: 45,700 attendees
- Council supported festivals; Chinese New Year -70,000 attendees, Moon Festival -50,000 attendees
- Whitehorse Art Space: 7674 visitors
- Box Hill Town Hall: Town Hall 127,161 attendees, Community Hub 50,604 attendees, Minor Hall 26,345 attendees
- Heritage Week Festival; 998 attendees
- Schwerkolt Cottage and Museum Complex: 2476 attendees.

**Business and Economic Development**
**Services Provided:** Support business development and growth, contribute to strategic planning and policy development, encourage investment attraction and business sustainability, coordinate networking and strategic business partnerships, provide research and information and assist in the promotion of local businesses.

**Services Delivered in 2011/12**

- More than 1100 Whitehorse businesses registered with the online Business Directory
- More than 2000 businesses registered to receive information on business services and programs
- Local business participation at Whitehorse Business Group business networking events
- Businesses nominated for the Whitehorse Business Awards Program and four businesses nominated for the Melbourne's South East Regional Business Awards
- Whitehorse Business Week attracted audiences of over 900 business representatives
- KickStart Your Business attracted over 100 businesses representatives
- Whitehorse Tertiary Business Skills Program included students from Deakin University, Box Hill Institute of TAFE and the local community
- Bi-monthly business mentoring sessions offered to local businesses and Trader Associations
- Promoted Council's Think Local Buy Local, Fair Trade and Festive Window campaigns
- Developed the *Whitehorse Investment Prospectus Whitehorse Discover the Advantage* to promote investment opportunities in Whitehorse
- Participated in regional activities to promote Whitehorse as a place to work, live, play and invest
- Completed the *Megamile Marketing Plan*

- Completed Australian Retail Association, Retail Workshops attended by over 80 retail businesses.

**Capital Works**
**Services provided:** capital Budget development, performance monitoring and reporting, asset management improvement program MAV STEP Program management, building construction project management and facilities maintenance including regulatory compliance.

**Services Delivered in 2011/12:**
- Presented 12 monthly capital works status reports to Council
- Led the development of the 2012/13 Capital Budget and a review of Council's five year Capital Works Program
- Completed 23 major building construction projects with a combined value of $3.9 million
- Completed 20 building renewal projects with a total value of $2.0 million
- Responded to 2400 requests for building maintenance works
- Established a competitively tested Consultancy Panel for Architectural, Quantity Surveying and Engineering Services
- Completed 4194 Essential Safety Measures inspections at buildings on Council land
- Completed 95 scheduled maintenance inspections for pest control, gutter cleaning, auto doors, water treatment, height safety systems, asbestos management and removal at Council buildings
- Upgraded fire safety measures at 147 buildings
- Regularly inspected and cleaned roof gutters on 103 buildings
- Conducted scheduled servicing on mechanical equipment including air conditioning and exhaust fan systems on 22 sites
- Rekeyed 41 buildings to Council's master key system.

**City Works**
**Services Provided:** Maintained sealed local roads, footpaths, kerb and channel, drainage pits, underground drains, laneway clearing, shopping centres, street signs and street furniture. Provided new line markings, graffiti removal services, street sweeping, cleaned public barbeques and public toilets, emptied street litter bins and collected dumped rubbish. Coordinated and carried out workshop repairs and maintenance of small plant and equipment and also managed fleet and vehicle replacements.

**Services Delivered in 2011/12:**
- In-house crew made safe 946 concrete slabs by removing trip hazards
- External contractors made safe 2940 concrete slabs
- Renewal and replacement of 24,680 square metres of footpath
- Repaired 749 square metres of potholes and minor road repairs using 76.43 tonnes of asphalt
- Constructed 41 driveway asphalt treatments to assist residents entering and exiting their properties
- Replaced or repaired 7915 signs throughout the city
- Washed and cleaned street and road signs in 12 Infrastructure Work Areas
- Line marked 6 Infrastructure Work Areas
- Cleaned 2463 storm water drainage pits and cleared 16,709 lineal metres of drains
- Responded to 2643 drainage requests
- Responded to 9956 customer requests
- Responded to 1133 requests to collect dumped rubbish
- Collected 440 tonne of rubbish from street and park litter bins (not domestic waste collection)
- Removed 1999.5 tonne of rubbish from kerbs and roads through programmed street sweeping
- Removed 858 tonne of leaf matter during the heavy leaf program between April and July
- Collected 180 dumped mattresses
- Issued 17 graffiti removal kits and offered 59 litres of paint to residents

and traders to assist them in removing graffiti from their properties
- Council's Graffiti Removalist attended to 541 sites and removed 9339 square meters of graffiti from Council and private property
- After hours Emergency Response attended to 437 events.

**Community Development**
**Services Provided:** A range of initiatives to improve the wellbeing, social connectedness, capacity and strength of the community. This included social research, community profiling, policy development, strategic planning, capacity building, community strengthening, health promotion and other specific projects with an emphasis on working in partnership to develop and strengthen our community.

**Services Delivered in 2011/12:**
- Strategic coordination of over 500 Council volunteers in partnership with other Council Service Areas
- Developed and delivered community areas (Senior Festival, Global Fiesta, Volunteer Recognition Afternoon Tea and Awards Ceremony, Volunteer Expo, Festival of Sport, Men's Health and Wellbeing Event
- Two Women's Forums
- Sorry Day flag raising ceremony
- Provided community grants in the form of cash and discount support to over 200 community groups
- Resourced and supported two Council advisory committees (Disability and Reconciliation) and worked with many community groups in the Whitehorse community
- Supported 10 Neighbourhood and Community Houses
- Managed and distributed two Whitehorse Scholarships
- Participated in many partnership projects, committees, working groups and projects to support the development of local community groups and actions
- Delivered Community Safety Month initiatives
- Worked with 3 local housing estates
- Implemented four strategic plans that work towards improving the wellbeing of the Whitehorse community
- Developed and supported the local Whitehorse Volunteer Network
- Support to the Whitehorse Seniors group and the Senior Citizens Centres
- Support to the Whitehorse Interfaith Network.

**Compliance**
**Services Provided:** Administered a series of Acts, regulations and local laws to help maintain community safety and amenity that covers animal management, school crossing supervision, parking control, fire prevention and local law administration. The department also manages Council's Risk Management Program including insurances and the *Emergency Management Strategy*.

**Services Delivered in 2011/12:**
- 3990 permits issued
- 752 infringement warnings issued
- 22,755 parking infringements issued
- Registered 20,607 pets
- Ran 15 school and community information sessions
- Coordinated 95 supervised school crossings
- Fire hazard prevention - 94 Fire Prevention Notices were issued to property owners to reduce fire risk with 14 properties compulsorily cleared due to non compliance
- Received approximately 26,745 phone calls, actioned 10,847 customer service requests and answered 30,443 pieces of correspondence
- Received 1920 after-hours calls and attended 648 after-hours requests for service.

**Design and Construction (Engineering and Environmental Services)**
**Services Provided:** Design, construction and periodic maintenance of roads, drains, traffic treatments and special charge schemes; design, construction and revitalisation of urban public spaces, streetscapes and play space improvements.

**Services Delivered in 2011/12**

- Resurfaced and reconstructed 73,100 square metres of local roads
- Rehabilitated and constructed 850 metres of stormwater drains
- Conducted streetscape works in Box Hill, Station Street Nunawading, Brentford Square and the Megamile.

**Engineering Assets**

**Services Provided:** Strategic Asset Management of roads and drains, permits for building over drainage easements, asset protection permits, consents for others to undertake work in road reserves and easements, setting flood levels for developments, drainage legal points of discharge, street lighting management and drainage enquiries.

**Services Delivered in 2011/12**

- 108 permits issued building over drainage easements
- 1007 permits for Asset Protection
- 548 consents for others to undertake work in road reserves and easements
- 115 flood levels determined for developments under the *Building Control Act*
- 554 stormwater points of discharge issued
- 100 per cent of electricity for street lighting was purchased as accredited GreenPower in 2011/12.

**Health and Family Services**

**Services Provided**: Maternal and child health, home-based and centre-based childcare, youth and family support, food safety monitoring, infection control, immunisation programs and pre-school support.

**Services Delivered in 2011/12**

- 5242 casual contracts and 1045 individual support clients supported by Council's Youth Services team
- Supported 6979 families during the year, including 1889 new mothers and their babies
- 30,500 Maternal Child Health consultations including 300 lactation clinic consultations
- 50 new parent groups were held across the municipality
- 1190 families supported by Council's childcare services
- 6 parent information evenings held catering for more than 1000 families
- 201 special needs children and 112 federal government funded childcare services supported by Council's Inclusion Support Program
- 1600 food safety assessments conducted of commercial food outlets.
- 21,000 vaccinations to infants, school aged children and adults
- 300 health assessments of all local businesses registered under the *Public Health and Wellbeing Act* (ie hairdressing and beauty salons and businesses involved in skin penetration such as ear piercing and tattooists)
- 121 compliance assessments of tobacco retailers, eating establishments and licensed premises.

**Home and Community Care**

**Services Provided** In-home and community-based services for frail older persons, people with a disability and their carers including meals, home care, personal care, respite care, home maintenance, transport services and social support programs and activities.

**Services Delivered in 2011/12:**

- A total of 146,907 meals were provided - 43,224 meals to Community Groups, 9591 centre based meals and 94,092 meals delivered to 611 resident's homes
- 144,188 hours of home support services, including domestic, personal and respite care was provided to 3359 residents
- 23,980 hours of social support services and planned activity groups were provided
- 3993 hours of home maintenance provided to 1421 residents
- 14,280 journeys were provided to residents through Council's transport service.

**Leisure Facilities**
**Services Provided**: Leisure and recreation activities through five facilities: Aqualink Nunawading, Aqualink Box Hill, Morack Public Golf Course, Nunawading Community Centre and Sportlink Vermont South.

**Services Delivered in 2011/12:**
- 646,757 attendances at Aqualink Nunawading
- 441,591 attendances at Aqualink Box Hill
- 106,697 golfers played at Morack Public Golf Course
- Approximately 85,000 attendances at Nunawading Community Centre
- Approximately 282,000 attendances at Sportlink Vermont South.

**Library Services**
**Services Provided:** Provided library facilities through four locations: Blackburn, Box Hill, Nunawading and Vermont South. Our libraries provide access to print and electronic resources and programs, online resources and outreach services.

**Services Delivered in 2011/12:**
- Programs and activities including author talks, book circles, early literacy and children's programs
- Collections including youth, adult, recreational, reference, audio visual, community languages, magazines and newspapers
- Trained staff to assist with library users information requests
- Community information
- Technology including internet and online resources
- Study and recreational reading areas.
- Community and training spaces
- Home Library Service
- Online access to library services.

**Parks Planning and Recreation**
**Services Provided:** Planned and developed policy for the sustainable management of open space, bushland reserves, parks, gardens, sports fields, sporting pavilions, off road trails and related infrastructure. Work in collaboration with various stakeholders including advisory committees, sporting clubs, sporting associations, community groups, residents, state government and government authorities.

**Services Delivered in 2011/12:**
- Planning for over 590 hectares of open space (over 300 parks) owned and managed by Council
- Support to over 120 sports and recreation clubs and approximately 14 parkland advisory committees.

**ParksWide**
**Services Provided:** Maintained open space, parks, gardens, recreation reserves, horticultural assets. Maintained and enhanced remnant bushland reserves, managed and maintained street and park trees, general parks and gardens maintenance and horticultural services. ParksWide also managed Council's nursery, sports fields as well as maintaining playgrounds and other items of open space infrastructure.

**Services Delivered in 2011/12:**
- 1388 trees planted, of which 897 were street trees. Of all the trees planted, 899 were indigenous, 217 native and 272 exotic
- 18 indigenous corridors upgraded.
- 2.4 million litres of recycled water used to establish street trees and water City Oval
- Approximately 60,000 street trees pruned and 4550 pruning requests completed
- ParksWide Nursery income $260,000 with 36000 nursery plants sold.
- Donated 890 plants worth in excess of $2750 to local schools and community groups
- 83 Council parks and gardens upgraded
- More than 19,000 indigenous plants planted, including 11,691 indigenous grasses, 3448 ground covers and 2374 shrubs
- 25m3 potting media donated to community nurseries Greenlink and Bungalook at a cost of nearly $3000.

**Planning and Building**
**Services Provided**: Strategic land use planning and advice, planning scheme amendments, assessing planning permit applications and issuing building permits.

**Services Delivered in 2011/12:**
- Processed more than 1200 planning applications
- Answered over 50,000 planning and building phone calls
- Received over 10,000 customer service requests
- Issued over 300 building permits, over 500 sighting reports and consent applications and over 1000 building enforcement actions.

**Property and Rates**
**Services Provided:** Manage property valuations, Council leases, digital mapping services and rates collection. Provided expert advice on all property matters including discontinued roadways, leasing and property purchases and dispositions.

**Services Delivered in 2011/12:**
- Completed the 2012 level municipal revaluation on approximately 67,000 rateable properties
- Completed 2000 supplementary valuations
- Collected 98 per cent of all rates levied by Council
- Commenced the Geographic Information Systems (GIS) upgrade.

**Recycling and Waste Centre**
**Services Provided:** A safe and clean facility to dispose of waste and recyclable materials.

**Services Delivered in 2011/12:**
- 71,765.29 tonnes of waste to the site
- 34,037.44 tonnes was carted to landfill
- 780.70 tonnes of clean cardboard and paper separated and recycled
- 1277 tonnes of scrap metal collected and recycled
- 48.84 tonnes of glass collected and recycled
- 27 tonnes of batteries separated and recycled
- 860 kg of aluminium cans separated and recycled
- 2175.73 tonnes of clean concrete were separated and carted off site
- 17,523.61 tonnes of clean green waste separated, chipped and carted off site by Bark King
- 4450 mattresses separated and recycled
- 21,530 L of used engine oil recycled.
- 1239 tyres recycled
- 36 tonnes of non ferrous metal recycled
- 4100 L of used cooking oil collected and recycled.

**Recycling and Waste**
**Services Provided:** Collected garbage, recycling and garden organic bins and hard waste collections as well as workshops, incentive programs and recycling services for energy, water and waste conservation.

**Services Delivered in 2011/12:**
- Collected 19,611tonnes of recyclable materials including 4804 tonnes of glass, 1352 tonnes of plastics, 98 tonnes of aluminium, and 431 tonnes of steel cans
- 6824 mattresses from hard waste collection
- Collected 105 tonnes of whitegoods, scrap metal and electronic goods for recycling from the monthly 'ring and book' service
- Facilitated the Sustainability Street community program in 4 geographical hubs and implemented the Do It Yourself program including Train the Mentor and providing facilitated expert workshops
- Provided financial rebates to 35 households that installed solar hot water systems, 186 households that installed solar panels, 17 households that installed water tanks and 34 households that conducted home composting activities
- Developed and conducted community forums and workshops covering issues such as energy saving measures in homes and businesses and sustainable gardening.

**Transport**
**Services provided:** Traffic and transport engineering services, road safety programs, sustainable transport programs.

**Services Delivered in 2011/12:**

- 853 traffic customer service requests investigated and responded to
- 83 traffic speed and volume counts
- 341 temporary road closure permits
- 213 planning and building permit application referrals
- Walking School Bus at 7 schools
- Placement of Council's 6 speed observation trailers in 259 locations.

# Major Projects

Whitehorse City Council was able to deliver a significant number of major works across the municipality. Council's *Long-Term Financial Plan* ensured Whitehorse was able to continue its major Capital Works Program.

Some of Council's major projects for the 2011/12 year include:

**Aqualink Box Hill Redevelopment**
2011/12 has been an extremely busy and successful time for the Aqualink Box Hill (AQBH) Redevelopment.
Council has committed over $30 million towards the redevelopment and expects that the entire redevelopment will be completed in late 2013.

Located within Surrey Park, AQBH will provide a modern and high quality facility for the entire Whitehorse community.

Set to be completed in December 2013, the redevelopment of the AQBH aquatic and leisure centre will provide a new warm water pool co-located with the upgraded spa and sauna facilities, a new outdoor 10 lane, 25 metre pool with terraced seating, family friendly water play areas including splash pads with large tipping bucket, water sprays, small slides, water rainbows, bubbles and geysers. A new toddler and leisure pool with beach entry and an expanded learn to swim with ramp access providing additional teaching space for aquatic education.

**Surrey Dive restoration**
Restoration works on Surrey Dive has made a major improvement to the historic area. Works include widened pathways, new seating, boardwalks and stairs connecting to a lower timber amphitheatre and viewing platform.

Extensive landscaping was also conducted around the perimeter to enhance the reshaped embankment and tree environment.

**Multipurpose Indoor Sports Stadium**
The refurbished stadium reopened on 27 February 2012, providing two modern, well equipped courts catering for basketball, netball, badminton, soccer and volleyball.

The new stadium now provides a more cohesive and accessible area for individuals, local sports clubs, community organisations and schools to enjoy all year round.

**Box Hill and Nunawading Urban Improvements**
Detailed designs were completed in 2011/12 for major streetscape improvements in Box Hill and Nunawading. Construction works for both of these projects commenced in 2011/12 and will be completed in 2012/13. The total Budget for the construction works over the two financial years for Nunawading is $1.25 million and $3 million for Box Hill.

The works in Box Hill focuses on footpaths along Whitehorse Road and Station Street in the centre of Box Hill. This area is being refreshed with high quality paving, street furniture and landscaping. The paving is a combination of bluestone and granite and is combined with custom-designed seats, bicycle racks and bins to create a new and modern look for Box Hill that will be consistent across the centre.

As well as the footpaths, Bamfords Lane, Birds Lane and Hodges Lane are being reconstructed with new surfacing which continues Council's commitment and previous work to revitalise laneways, making them attractive and usable public spaces.

The works in Nunawading involve the revitalisation of Station Street between Wood Street and Springvale Road. This is the first stage in the implementation of the *Nunawading Retail Precinct Visioning* project that was completed in 2010. The works will revitalise the area by improving the appearance as well as the layout to encourage better pedestrian and vehicle

movement for both commuters and visitors to the area. A modernised high quality footpath pavement is being installed to reflect the new station precinct as well as new garden beds and customised seats.

**Box Hill Gardens Stormwater Harvesting**

A stormwater harvesting treatment and storage system was constructed in the Box Hill Gardens in 2011/12. This project was an action from the *Box Hill Gardens Masterplan*. The system uses stormwater to provide a sustainable water supply for the irrigation of trees and grassed areas within the gardens and to ensure that the ornamental lake is filled. The total cost of this project was $1.2 million. This project was partly funded by a grant of $410,000 from the federal government's *Water for the Future – Stormwater Harvesting and Reuse Project* fund.

The system captures stormwater from the two underground Council drains that run through the gardens. Stormwater from one of the drains is diverted and passes through a litter trap and is then stored in a 600,000 litre underground tank. The water is treated by a filter and a UV disinfection system and can be pumped out for irrigation purposes. A new irrigation system was installed as part of the project for all the significant trees and grassed areas within the gardens. There was also a standpipe installed so that the water can be used for other suitable applications.

Stormwater from the other Council drain is diverted and passed through a litter trap and then discharged to the ornamental lake. A level control structure was installed in the lake as well as planting and other landscape improvements.

It is estimated that the total system will save around 15.5 megalitres of drinking water per year which is the equivalent to 6 Olympic sized swimming pools.

**Increased Sustainability Projects**

Sustainability projects delivered in the 2011/12 year include: warm season grass transfers at various sports fields across Whitehorse, ecologically sustainable design principals at Springfield Reserve and the installation of a 50,000 litre water tank at the Vermont Tennis Club. More information on sustainability projects and initiatives can be found on page 32.

# Major Capital Works

A comprehensive $29.17 million Capital Works Program was a key feature of Council's $141 million Budget 2011/12 including:

**$8.5 MILLION FOR COMMUNITY FACILITIES/BUILDINGS**

Key features

**$5.7 million for sports and recreation buildings**

- $2.8 million for the commencement of the Aqualink Box Hill Redevelopment
- $1.3 million for Billabong Reserve – refurbishment and upgrade to the existing pavilion
- $70,000 Mont Albert Reserve Pavilion Extension Design.

**$7.1 MILLION FOR ROADS, FOOTPATHS AND TRAFFIC MANAGEMENT IMPROVEMENTS**

Key features

- $2.4 million for upgrading and resurfacing local roads
- $1.7 million for renewal of damaged and worn footpaths and the provisions of crossings for people of all abilities and those with prams
- $555,000 for upgrade and installation of car parks
- $290,000 for traffic management and road safety management.

**$4.6 MILLION FOR PARK, SPORTS FIELD AND PLAYGROUNDS**

Key features

- $2.4 million for reconstruction of existing athletics tracks at Bill Sewart Athletics Track
- $320,000 to continue the refurbishment of Surrey Dive
- $130,000 for necessary corrective works at East Burwood Velodrome.

**$2.9 MILLION FOR URBAN IMPROVEMENTS**

Key features

- $1.5 million to accelerate the development of the Box Hill Central Activities Area for commerce, pedestrian safety and to improve the overall appearance and condition of the area
- $500,000 for the Nunawading Retail Precinct Stage 1 in Station Street
- $280,000 Mega Mile Improvements on Whitehorse Road
- $145,000 for infrastructure upgrade works along the MegaMile.

**$1.0 MILLION FOR DRAINAGE IMPROVEMENTS, $340,000 FOR STREET TREES**

Key features

- Continue the Street Tree Planting Program in line with Council's *Street Tree Policy*.

# Sustainability Initiatives

Whitehorse City Council recognises the importance of taking local action to ensure we live in an environmentally sustainable community and takes active steps to address climate change, peak oil, and to manage our waste sustainably. Council has a suite of strategies and action plans to complement and support the *Whitehorse Sustainability Strategy 2008-2013: Our EcoVision* which outlines Council's sustainability agenda for the five-year period. The following services and programs

*Note: Sustainable Business and Sustainable Communities are combined under Education and Community Engagement below.*

## Climate Change, Greenhouse and Energy

- Implementation of the *Whitehorse Integrated Transport Strategy*
- Implementation of the *Climate Change Adaptation Plan*
- Purchased 100 per cent GreenPower streetlighting
- Purchased 25 per cent GreenPower for Council's larger buildings and facilities
- Increased Council staff usage of Metcards for business related travel to encourage the use of public transport
- Implementation of the Walking School Bus within seven Whitehorse primary schools
- Hosted sustainable transport events such as Walk to School Day, Ride to School Day, Whitehorse Spring Festival and bike maintenance courses
- Facilitated the Eastern Alliance for Greenhouse Action to implement a Solar Hot Water Program which assisted residents to obtain discounted solar hot water installations
- Provided 32 financial rebates for solar hot water systems and 186 for solar photovoltaic panels to residential homes
- Invested $87,000 to research the protection of Council buildings against future climate change scenarios
- Installation of energy efficient lighting in Nunawading Community Centre, Blackburn Child Care Centre, Operations Centre Admin offices, Operations Centre Car park LED lighting
- Installation of LED light poles in Wood Park to improve perception of safety for local residents and commuters
- Development of the *Whitehorse Transition Program* initiative.

## Water Conservation and Quality

- Completed the installation of a stormwater harvesting system to provide sustainable water supply for the Box Hill Gardens. The system provides water for the irrigation of the significant trees and turf areas within the park and to fill the ornamental lake. The calculated estimated water saving will be around 15.5 megalitres of water per year
- Continued the Yarra Valley Water Showerheads Exchange Program with 495 showerheads exchanged for more water-efficient fittings
- Provided 17 financial rebates for the purchase and installation of water tanks
- Plumbing upgrades at several sites to fit water saving devices in showers, toilets and hand basins
- Installation of 25,000 litre water tank at Operations Centre for filling street sweepers and truck washing
- Continued to use rainwater and reclaimed water at the Jolimont Road Nursery to irrigate plants
- Continued to use rainwater to flush the majority of toilets at the Whitehorse Civic Centre
- Installed Smart Meters at Aqualink Nunawading to allow remote monitoring of water usage
- Installed 21,000 litre water tank at Springfield Pavilion and 10,000 litre

water tank at Box Hill Community Arts Centre and connected to toilets
- Use of a soaker, a recycled product to soak up and clean oil and fuel spills, preventing it from washing into the storm water drainage and river systems
- Warm season grass transfer at sports fields – Kalang Park, Surrey Park South East, Heatherdale Reserve West and Elgar Park North West
- Conducted dry concrete grinding of raised footpath slabs as opposed to wet grinding
- The resurfacing of two Vermont Tennis Club courts from en-tous-carte to hard surface courts
- The installation of a 50,000 litre water tank at the Vermont Tennis Club to water the four remaining en-tous-carte courts
- Advocating for funding for the installation of water tanks into the Neighbourhood and Community Houses.

## Resource Efficiency, Waste and Recycling

- Completed the preparation of the *Whitehorse Waste Management Plan 2011* to guide Council's waste and recycling collections, waste disposal and resource recovery arrangements for the next 7 – 10 years
- Increased diversion of waste from landfill from previous years and increased garden organics service
- Council continued to introduce or increase sustainable waste management practices at all major festivals
- Used recycled materials and products in the works program such as refurbishing existing pieces of equipment installed on streets rather than buying new equipment
- Conducted a Renew kerbside collection and Drop-Off Day to recycle unwanted but re-usable household items. 65 tonnes of items including textiles, household goods, books, small appliances, printer cartridges, televisions, computers and toys were collected. Almost 5600 households participated in the kerbside collection, averaging 7.7 kilograms per bin and 536 people came to the Drop-Off Day
- Continued a light globe recycling program and a household battery recycling program by setting up recycling bins/boxes at Customer Service Centres and the Whitehorse Recycling and Waste Centre
- Collected 19,611 tonnes of recyclable materials from the kerbside recycling collections
- Encouraged home composting through workshops and rebate programs.

## Our Natural Environment

- Ecologically sustainable design principles included in Springfield Park Pavilion design
- Replaced annual floral displays in Council's gardens with drought-tolerant perennials
- Sustainable landscape design integrated into the design and construction of public spaces, particularly water sensitive urban design
- Maintained Council's remnant bushland reserves
- Managed Council's horticultural nursery that produced 18,412 indigenous plants for use in gardens, parks and other Council assets and areas.

## Buildings, Infrastructure and Planning

- Implemented local *Environmentally Sustainable Design Policy* to encourage sustainable development in the municipality
- Invested over $190,000 to incorporate sustainable energy and water initiatives in Council buildings
- Recognised high achieving sustainable design through Council's *Sustainability Awards*
- Completed a *Climate Change Vulnerability Assessment* of 16

Council buildings at 10 different locations. The assessment looked at how the buildings are likely to be impacted by climate change events and recommended actions to be taken over time to ensure buildings continue to fulfil their community purpose.

## Education and Community Engagement

- Developed and implemented Sustainable Living Week with 18 community events that were well attended by over 1400 people and addressed topical and practical issues on how to live more sustainability
- Continued a series of community workshops, events and activities throughout the year, including resource efficiency workshops and behaviour change training to implement community objectives
- Continued the Sustainability Street program including the Do-It-Yourself Model and Train-The-Mentor Program. There are four Sustainability Street Groups in Whitehorse – Blackburn, Box Hill, Mitcham and Vermont South
- Recognised local businesses, homes, community groups and schools for their ongoing sustainability achievements as part of Council's annual Sustainability Awards
- Supported 5 local schools to participate in the Australian Sustainable Schools Initiative Program
- Developed and ran Fair Trade Fortnight with events aimed to raise community awareness and purchase Fair Trade products
- Community forums and workshops covering topics such as sustainable gardening and water and energy efficiency
- No longer utilise balloons or plastic bags at events
- Minimise paper hand outs at events.

## Sustainability Policy, Leadership and Reporting

- Through the contract and tendering process, contractors with sustainable initiatives are preferred across Council's operations
- Continued implementation of Council's Greener Office Program, including the use of Fair Trade products
- Engagement of Council staff to become EcoLeaders and implement sustainability projects across Council
- Continued implementation of paperless e-learning programs for various training programs
- Increased eNews distribution to promote Council activities
- Implemented a new Mercury electronic online system for job applications and employment information
- Greater utilisation of electronic document management system for job files
- Continued use of Council letterhead and Council publications produced from 100 per cent recycled paper, using 100 per cent renewable energy, waterless printer using vegetable oil based inks
- Introduced 100 per cent recycled paper envelopes for the majority of Council's business sized envelopes
- 100 per cent recycled toilet paper used exclusively in all staff toilet blocks at the Whitehorse Civic Centre
- Using business cards produced from 100 per cent recycled paper
- Insure officers turn their computer screens off when leaving the office
- Green purchasing where possible.

The detailed financial sustainability of Council is available in the full financial report from page 102.

# Advocating for the Community

Whitehorse City Council regularly lobbies the state and federal governments to secure funding for projects which have been identified as key priorities by the local community. These key priorities are determined by Council through various public consultation methods.

The information gathered assists Council in understanding the community's view on proposals, find out how widespread a particular concern is, plan for the future needs of the municipality and make decisions that are fair to the whole community.

Based on the input from this year's community feedback, Council continued to lead major advocacy campaigns to attract state and federal government support and funding for improved services and infrastructure.

Some of the major campaigns Council has been involved in over the past 12 months are:

- Level crossing grade separation for Mitcham Rd, Mitcham, Rooks Rd, Nunawading and Blackburn Rd, Blackburn
- Public Transport issues through membership of the Eastern Transport Coalition and Metropolitan Transport Forum
- Recycling mercury from light globes.
- Upgrading the Box Hill Transport Interchange
- Advocating for state and federal government funding for the Give our Streets the Green Light campaign for the bulk changeover to energy efficient lighting
- North South Rapid Transport Link.

**Recycling mercury from light globes**

In April 2012 Council resolved to submit a motion to the Municipal Association of Victoria (MAV) and the Australian Local Government General Assembly for them to request the federal government to urgently implement a national scheme for the recycling of mercury from light globes. The aim of this initiative is to reduce the amount of mercury from old light globes going to landfill.

The federal government implemented legislation to phase out incandescent light globes in 2007 and the process of replacing old light globes with energy efficient globes is progressing throughout Australia. A scheme is now urgently required to capture and recycle the mercury from the energy-efficient compact fluorescent globes as well as from older style light globes that contained mercury.

Mercury is a heavy metal with the potential to contaminate landfill sites, waterways and the environment for many years. Inappropriate disposal of light globes containing mercury also places the people that handle the old globes at risk of mercury poisoning. Mercury from inappropriately disposed waste has been known to enter the food chain via shellfish if waterways become contaminated by mercury.

Some Councils, including Whitehorse have implemented light globe recycling arrangements at their cost however these schemes typically capture only a small portion of globes being disposed.

**Upgrading the Box Hill Transport Interchange**

The Box Hill Transport Interchange is the busiest public transport interchange in Victoria outside of Melbourne's Central Business District and caters for many train and bus passenger movements each week.

The interchange was built in 1983 and is now in dire need of a major upgrade and due to this Council has been advocating the state government to commit a significant injection of funding in excess of $90 million to upgrade the service.

Box Hill is recognised as one of six Central Activity Areas (CAA) in metropolitan Melbourne. This status recognises the area as a significant metropolitan centre with jobs, housing,

business, education, health and services that Melbournians can easily access as an alternative to Melbourne CBD.

While other CAA's have received significant funding, no commitment has been made for the Box Hill Transport Interchange, despite the acknowledgement that it is the busiest metropolitan interchange outside central Melbourne.

Upgrading this important public infrastructure will continue to be the focus of Council advocacy to state and federal governments until significant funding commitments are made.

**Rail Crossing Grade Separations**

Council was pleased to hear confirmation of the state government's commitment to the Mitcham Road and Rooks Road crossing removal project. An allocation of $350 million in the 2012/13 and 2013/14 Budget for the removal of these crossing, as well as Springvale Road, Springvale. The state government has committed to have these projects completed by late 2014.

The state government has also commenced detailed planning and investigations to develop options for the crossing removal in Blackburn Rd, Blackburn.

Council is very concerned about the potential for safety and related issues at level crossings in Whitehorse and has worked for several years with the state government to come up with solutions to address this issue. Rail crossings at Middleborough Road and Springvale Road have been removed in recent years and road and rail users are now reaping the benefits of many years of lobbying and seeing these major transport infrastructure projects come to fruition.

Council's original *Integrated Transport Strategy 2002* and the new *Integrated Transport Strategy 2011* contain a key action to advocate for the grade separation of all railway crossings in Whitehorse.

Council congratulates the state government on its commitment to remove the rail crossings at Mitcham Road and Rooks Road and improved facilities, including the upgrade of Mitcham Railway Station.

We look forward to seeing the boom gates at these two notorious crossings finally being taken down in 2014. Council is also pleased that detailed planning for the rail grade separation of the Blackburn Road rail level crossing will be completed by 2014.

# 2011/12 Annual Report - Meeting our strategic objectives

**1. Serve and strengthen our diverse community to be inclusive, vibrant and engaged.**

| Strategies | Examples of how we met this objective |
|---|---|
| • Increase community participation and engagement. | • Increased community participation at Council's major community events during 2011/12.<br>• Conducted the annual National Tree Planting Day.<br>• Continued with the education program at Blackburn Lake Sanctuary.<br>• Held the annual Parkland Forum with Parkland Advisory Committees.<br>• Continued with on site walk throughs of Council's bushland parks in partnership with Parkland Advisory Committees in regards to tree assessments of bushland sites.<br>• Supported Parkland Advisory Committees in working bee activities through the provision of advice, weed control support, mulch deliveries, rubbish removal and other practical aids.<br>• Consulted with residents regarding Council's tree planting program and the planting of new trees.<br>• Facilitated the Sustainability Street community program in 4 geographical hubs and implemented the Do-It-Yourself program including Train-The-Mentor and providing facilitated expert workshops.<br>• Successful delivery of T*ransition Town* sustainability program with the Whitehorse Community.<br>• Successful delivery of *Sustainable Ambassadors* program amongst Whitehorse's culturally and linguistically diverse group.<br>• Continuation of the *Whitehorse Community Wellbeing Plan 2009-13.*<br>• Implementation of the *Whitehorse Affordable Housing Policy.*<br>• Engagement activities focused on more than 65,000 surveys being distributed to every rateable property in Whitehorse with more than 2000 responses received in regard to the health and wellbeing priorities of the community.<br>• Council facilitates two Advisory Committees (Disability and Reconciliation) that encourage participation from people with a disability and the Indigenous community in Whitehorse. The purpose of both of these committees is to then encourage further engagement with the specific focus areas and the broader community.<br>• Council participated in and provided a secretariat function to the Whitehorse Interfaith Network which encourages participation from diverse faith communities in Whitehorse. This group meets regularly during the year and seeks to encourage further participation from diverse faiths.<br>• Successfully developed and delivered a range of community activities and events with a focus on community participation: Global Fiesta, Koorie Night Market, Women's Forums.<br>• Work with and encourage community members to become |

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| | more involved in council activity and the community via volunteer opportunities and civic participation.<br>• Continuation of the *Whitehorse Volunteer and Civic Participation Strategy*.<br>• Implementation of the *Whitehorse Community Wellbeing Plan*, the *Whitehorse Disability Policy and Action Plan* and the *Whitehorse Diversity Policy and Action Plan*. |
| • Plan and partner with key stakeholders to strengthen our community. | • Regular meetings with community groups and stakeholders to plan, develop and implement road safety education programs.<br>• Implementation of road safety programs to improve the health and wellbeing of our community such as Child Restraint Clinics.<br>• Continued participation in an international program of artwork exchange between several countries called the *Global Art Project for Peace*. Artworks exchanged were exhibited at community centres around the world.<br>• Council is an active participant of the inner East Primary Care Partnership which is a network of more than 80 organisations in the inner east and whose primary focus is to come together to develop partnership opportunities that will positively impact on the health and wellbeing of the community.<br>• Council convenes a regular network meeting with representatives of the 10 Neighbourhood and Community Houses in Whitehorse, which seeks to work towards strengthening the community and access to community houses.<br>• Development of the *Whitehorse Positive Ageing Strategy* in partnership with the Department of Planning and Community Development. |
| • Deliver quality services for the wellbeing, amenity and development of our community | • Deliver quality services for the wellbeing, amenity and development of our community.<br>• Council's established Aqualink Box Hill, Aqualink Nunawading, Nunawading Community Centre and Morack Golf Course continued to provide quality leisure services that received consistent high level performance evaluation from internal and external sources. Sportlink Vermont South is in its third year of operation and has surpassed targets for participation numbers and court occupancy.<br>• Furthermore, Council has made a significant investment into the redevelopment and upgrade of Aqualink Box Hill to make a modern, state of the art leisure and aquatic facility. |
| • Recognise and celebrate the diversity of our community | • Major community events occurred throughout the year in Whitehorse culminating in around 150,000 people participating in the Spring Festival, Carols, Australia Day, Swing Pop Boom! Summer Music series and the Chinese New Year Festival. These events celebrated the artistic and cultural expression of the diverse and talented Whitehorse community. The success and the popularity of the Whitehorse Centre continues with record audience attendances.<br>• Specific community events were held in Whitehorse that had a diversity focus. Global Fiesta held at Box Hill Gardens, the Swing Pop Boom! Music series at various locations across Whitehorse and an art-focused event held at the Box Hill Community Arts Centre. |
| • Facilitate and | • As part of Council's Spring Festival, an event was held in |

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| encourage community participation in artistic and cultural life. | Council's Indigenous Garden (the Nangnak Garden) to raise awareness of and celebrate Indigenous culture in Whitehorse.<br>• Council holds an annual flag raising ceremony in recognition of the Apology by the former Prime Minister Kevin Rudd.<br>• Unveiled a commissioned Indigenous message stick in the Nangnak Garden as part of Sorry Day ceremony.<br>• Successful implementation of activities focused on celebrating cultural diversity in Whitehorse: Global Fiesta, Koorie Night Market and Chinese New Year. |
| • Advocate on behalf of our community on critical local issues | • Active advocacy on a range of transport related issues through membership of the Eastern Transport Coalition and Metropolitan Transport Forum.<br>• Advocacy to the state government regarding the landfill levy increase.<br>• Participated in the MAV *Give our Streets the Green Light* campaign which contributed to a commitment from the state and federal governments for funding to change over streetlights to energy efficient lights.<br>• Successful lobbying of the state government on the Rooks Road, Mitcham Road and Blackburn Road rail grade separations.<br>• Continued lobbying the state government for a major upgrade of the Box Hill Transport Interchange.<br>• Advocate the state government on a range of social issues such as the health reform agenda, future directions in public housing and so on. |

**2. Promote, protect, enhance and respect the quality of our natural and built environments.**

| Strategies | Examples of how we met this objective |
|---|---|
| • Embed sustainability practice and principles in planning and development. | • Continued requirement under planning permits for larger developments to be environmentally sustainable.<br>• Ongoing lobbying of the state government for a major upgrade of the Box Hill Transport Interchange.<br>• Continued promotion of sustainable design with developers and designers.<br>• Development of the *Play Space Strategy 2011* to upgrade and maintain Council's existing group of play spaces for children between the ages of 0 – 11 years old.<br>• Successful negotiation with developers for public open space contributions in the form of land.<br>• 100% of electricity for streetlighting was purchased as accredited Green power. |
| • Strengthen and contribute to an integrated transport system. | • Continued delivery of school and community sustainable transport programs such as Transit, Walking School Bus at 9 schools and the development of TravelSmart maps.<br>• Implementation of the *Whitehorse Integrated Transport Strategy 2011*.<br>• Hosted sustainable transport events such as Walk to School Day, Ride to School Day, Spring Festival Bicycle Ride and bicycle maintenance courses |
| • Protect, enhance and appropriately | • Continued the *Sustainability Drought Management Plan* for sports fields with the installation of drought-tolerant warm season grasses at Bennettswood Reserve South, Springvale |

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| develop open space for current and future generations | Reserve East, Sparks Reserve South and Mahoney's Reserve number 3 and 4 sports fields.<br>• Commenced the *Synthetic Sport Surface Strategy*. |
| • Pursue consistent design principles of excellence in our current and future built environment. | • Consistent application of planning policy, as it relates to design and the built environment.<br>• Consider *Disability Discrimination Act 1992* compliance and meeting the needs of our residents in regard to accessibility of buildings and the built environment. |
| • Enhance our leadership role in the education and awareness of environmental practices in our community. | • The Whitehorse Sustainability Awards are a celebration of the achievements of members of the community. The awards reward and recognise local residents, schools, community groups and business for their efforts in building socially-connected communities and leading sustainable lifestyles. This year's award winners were announced on 29 March 2011 at the Box Hill Community Arts Centre.<br>• Developed and delivered Sustainable Living Week with 18 community events attended by over 1400 people.<br>• Developed and conducted community forums and workshops covering issues such as energy-saving measures in homes and businesses, GreenPower, greywater, Water Wise Gardening and Yummy Yards. Developed and delivered Fair Trade fortnight with events to raise community awareness and purchase fair trade products. |
| • Maintain and enhance Council's physical assets for long term sustainability, safety and public amenity. | • Continued delivery of Council's corporate asset management system which will be used to plan maintenance and capital upgrade programs for all of Council's assets.<br>• Resurfaced and reconstructed 73,100 square metres of local roads.<br>• Rehabilitated and constructed 850 metres of stormwater drains.<br>• Conducted streetscape works in Box Hill, Station Street Nunawading, Brentford Square and the Megamile. |

**3. Deliver organisational excellence, visionary leadership and strong governance, through dedicated people, to ensure the best possible contribution to our community.**

| Strategies | Examples of how we met this objective |
|---|---|
| • Continue to develop inspirational leadership based on openness, accountability and transparency. | • Researched Leadership Development Needs with Managers and Coordinators and developed a program specific to those needs. In particular focused on skill development of emotional intelligence and leadership development through Action Learning. |
| • Provide | • Council Budget prepared in line with *Long-Term Financial Plan*. |

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| responsible management of Council's financial and other resources. | • Achievement of a modest underlying operating surplus.<br>• Steady improvement in the Victorian Auditor-General's Office 5 financial sustainability ratings.<br>• Revised the *Council Plan 2011–2015* resulting in the production of the *Council Plan 2012–2016.*<br>• Participated in the Department of Planning and Community Development Procurement Excellence program.<br>• Participated in the MAV LGV Financial Sustainability project. |
| • Develop and continue to build an organisational culture that is inclusive, collaborative, and strives for excellence. | • Conducted a staff survey and analysed the results that indicate a high level of engagement of staff with the organisation, high achievement orientation and high levels of staff satisfaction. |
| • Ensure our governance framework, values and performance parameters are understood, shared and core to our everyday actions. | Internal Audit Program which included:<br>• 2011/12 Annual Financial statements and Audit Management Letter<br>• *Fraud Policy* review<br>• Recycling and Waste Centre review<br>• *Business Continuity Plan/Disaster Recovery Plan* review<br>• Fringe Benefits Tax and Superannuation Guarantee Review<br>• Home & Community Care Review<br>• IT Penetration testing<br>• IT Mobile Device security review<br>• Statutory Planning Review.<br>Other reports included Best Value reviews for:<br>• Community Care Transport Services<br>• Parking.<br>Council also participated in the following external audits:<br>• Local Government Inspectorate Compliance Audit<br>• Roads to Recovery Pilot Audit. |
| • Provide a comprehensive professional and personal development program so everyone's contribution is valuable. | • Review of the Whitehorse City Council Collective Agreement and coordinated legislative changes relevant to employment conditions including the *Fair Work Act 2009*, with a view to implement an updated agreement in 2012/13.<br>• Reviewed the contractor management arrangements for OHS.<br>• Conducted Freedom of Information training and awareness.<br>• Council provided a comprehensive calendar of training and development events throughout the year to meet professional development objectives, compliance training objectives, technical skill improvement and personal development. In addition staff were encouraged to attend networking and conference functions that further their personal and professional development for the benefit of Council. |
| • Continue to improve how we communicate, serve and connect with | • Continuing to upgrade the organisation's redeveloped website.<br>• Monitoring that all Council publications are delivered in a timely and effective manner.<br>• Providing information sheets on newly introduced and existing initiatives, policies and services.<br>• Advertising regularly Council's available services and activities |

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| | our community. | in locally distributed publications. |

**4. Support a prosperous, diverse and healthy local economy that contributes to the wellbeing of our community.**

| Strategies | Examples of how we met this objective |
|---|---|
| • Encourage local financially sustainable business excellence by strengthening our support role. | • KickStart Your Business program: 5-9 March 2012: Series of Workshops and Seminars on topics including: Marketing, Grants and Tenders, Starting your Business and Risk Management.<br>• Whitehorse Business Awards Program: 8 Business events and Gala Awards Dinner – A number of businesses nominated for business awards within 8 award categories. Program managed by the Whitehorse Business Group.<br>• Review of Council's 5 Star Food Hygiene Assessment and 5 Star Hygiene Assessment systems including providing businesses who achieve 100 percent in the assessments to receive free promotions across Council's various communications channels including the Whitehorse News. |
| • Support a live local, work local, shop local campaign | • Promotion of local shopping precincts on Council's business website www.wbiz.com.au<br>• Business Directory: 1200 Directory listings / 2000 Directory participants seeking business information. Directory provides information on local businesses and relative products and services available. |
| • Ensure that infrastructure is designed and accessible for all the community including local business | • Continue to ensure all new Council buildings and building extensions are fully compliant with the *Disability Discrimination Act 1992* provisions of the *Building Code*.<br>• Work with businesses and relevant Council departments in encouraging, developing and maintaining suitable infrastructure projects that engage businesses and the local community.<br>• Promoting accessibility through the Wheelchair Re-charge scheme to local businesses. |
| • Strengthen the Council's connection with local business owners and their employees | • Networking opportunities through Council programs: KickStart Your Business program 2012, Whitehorse Business Group Business Events, Whitehorse Business Week - August 2011.<br>• Other business development workshops and seminars run by Council to grow and up skill local businesses.<br>• Mentoring opportunities for local businesses and managers in Marketing, Business Planning etc: Bi-monthly free mentoring sessions held at Council offices and Box Hill Town Hall. |
| • Develop partnerships with government, business and educational institutions | • Council works closely with Business Victoria and other government departments to ensure that all government business programs and services are accessible to local businesses.<br>• Whitehorse Tertiary Business Skills Program 2011. Students from Deakin University and Box Hill Institute of TAFE participated in the program, which runs from May to September. |
| • Support the opportunities for local | • Council provided a range of networking opportunities to local businesses to work together, do business to business and assisted in local business growth and development. |

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| business collaboration and resource sharing | |
| • Promote better business start up opportunities. | • Distribution of business start up kit provided to all new businesses locating in Whitehorse that offers information on Council's range of business program and services.<br>• Business development workshops and seminars.<br>• State government funding grant received to facilitate an e-marketing program for local businesses in 2012. |

# 2011/12 Annual Report – Strategic Indicators

**1. Serve and strengthen our diverse community to be inclusive, vibrant and engaged.**

| Indicator | Progress towards meeting our objectives |
|---|---|
| • Increase in the number and diversity of volunteers across Council and the community. | • Increase in the number and diversity of volunteers across Council and the community.<br>• Council's Volunteer and Civic Participation Officer works with Council departments and units such as Arts and Recreation Development, Youth Services, Home and Community Care, Whitehorse Arts Space, Box Hill Town Hall, Blackburn Lake Sanctuary and on projects including the Walking School Bus to develop strategies that increase the diversity and number of volunteers across Council.<br>• Council's Walking School Bus has 70 volunteers assisting school children from nine primary schools to walk to and from school.<br>• Ongoing implementation of the *Whitehorse Volunteer and Civic Participation Strategy* with a particular focus on young people as volunteers and men over 55 years of age.<br>• Delivery of the Whitehorse Volunteers Expo, providing volunteers across the city of Whitehorse to showcase services they provide as well as recruit new volunteers.<br>• Development and distribution of the Whitehorse Volunteers Booklet – a publication promoting individual volunteers and the work they conduct in the community. |
| • Adopted and implemented *Whitehorse Community Engagement Strategy* across Council activities. | • Implementation of the *Young People's Strategy, Young People Thriving in Whitehorse* and the *Early Years Strategy – Childhood Matters*.<br>• Continued implementation of *Whitehorse Community Engagement Strategy/framework* across Council activities. |
| • Improved strategic planning and increased number of initiatives undertaken in partnership and collaboration with | • The Whitehorse Disability Advisory Committee Accommodation Forum was held to allow housing providers to share information directly with people with a mental illness or disability to support them when seeking accommodation options.<br>• Implementation of the *Whitehorse Gambling Policy* to support the community in resilience against problem |

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| Community and key stakeholders | gambling.<br>• Implementation of the *Whitehorse Reconciliation Plan*.<br>• Global Fiesta event to celebrate Harmony Day continues to grow in popularity.<br>• Improvements to the Chinese New Year Festival 2012 including safety standards, layout and set-up of the Festival.<br>• Delivered the *Sustainable Ambassadors Program* in collaboration with Deakin University to the Chinese speaking community. |

**2. Promote, protect, enhance and respect the quality of our natural and built environments.**

| Indicator | Progress towards meeting our objectives |
|---|---|
| • Reduction in Council's greenhouse gas emissions. | • Reduced the number of 6 cylinder vehicles in Council's Fleet.<br>• 100 per cent of electricity for streetlighting was purchased as accredited Green power.<br>• Sought major federal government funding for the changeover of all streetlights to new energy-efficient lights through the *Community Energy Efficiency Program*.<br>• Purchased 25 per cent GreenPower for Council's larger buildings and facilities.<br>• Other energy saving initiatives include:<br>• Invested $87,000 to research the protection of Council buildings against future climate change scenarios.<br>• Installation of energy efficient lighting in Nunawading Community Centre, Blackburn Child Care Centre, Operations Centre administration offices, operations centre car park LED lighting.<br>• Installation of LED light poles in Wood Park to improve perception of safety for local residents and commuters.<br>• Development of the *Whitehorse Transition Program* initiative. |
| • Reduction in Council's water consumption. | • Continued with the Warm Season Grass Transfer Program on Council's sports fields.<br>• The sports fields where warm season grass transfer works took place in 2011/12 were:<br>  ○ Surrey Park South East<br>  ○ Kalang Park<br>  ○ Heatherdale Reserve West<br>  ○ Elgar Park North West.<br>• Continued the Yarra Valley Water showerheads exchange program with 495 showerheads exchanged for more water-efficient fittings.<br>• Provided 17 financial rebates for the purchase and installation of water tanks and 2 grey-water systems in homes.<br>• Plumbing upgrades at several sites to fit water saving devices in showers, toilets and hand basins.<br>• Installation of 25,000 litre water tank at Operations Centres for filling street sweepers and truck washing.<br>• Installation of a 21,000 litre water tank at Springfield |

| | |
|---|---|
| | Pavilion.<br>• Installed Smart Meters at specific locations at Aqualink Nunawading to allow remote monitoring and access of real time and historical data.<br>• Connected two 10,000 litre water tanks for the flushing of toilets at Box Hill Community Arts Centre.<br>• Use of soaker, a recycled product to soak up and clean up oil and fuel spills, preventing it from washing into the storm water drainage and river systems.<br>• As part of the Warm Season Grass Transfer Program, 4 sports fields have been replaced with drought resistant grasses this financial year.<br>• Undertook dry concrete grinding of raised footpath slabs as opposed to wet grinding.<br>• Advocated for community funding grants to install water tanks into Neighbourhood and Community Houses. |
| • **Increase in the volume municipal waste to be recovered, recycled and/or diverted from landfill.** | • Completed the *Whitehorse Waste Management Plan 2011* and commenced implementation with the tender and evaluation of new, seven year contracts for Councils waste and recycling services for domestic garbage, garden organics, recyclables, hard waste and unwanted household goods.<br>• Commenced development of a *Landfill Aftercare Management Plan* for the former Nunawading landfill site.<br>• Continued a light globe recycling program by setting up recycling bins/boxes across at Customer Service Centres and the Whitehorse Recycling and Waste Centre.<br>• Collected 19,611tonnes of recyclable materials including 4804 tonnes of glass, 1352 tonnes of plastics, 98 tonnes of aluminium, and 431 tonnes of steel cans.<br>• 6824 mattresses from hard waste collection.<br>• Collected 105 tonnes of whitegoods, scrap metal and electronic goods for recycling from the monthly 'ring and book' service.<br>• Facilitated the Sustainability Street community program in 4 geographical hubs and implemented the Do-It-Yourself program including Train-The-Mentor and providing facilitated expert workshops.<br>• Provided financial rebates to 35 households that installed solar hot water systems, 186 households that installed solar panels, 17 households that installed water tanks and 34 households that conducted home composting activities.<br>• Developed and conducted community forums and workshops covering issues such as energy saving measures in homes and businesses and sustainable gardening. |
| • **Environmentally sustainable design principles are applied to all new and redeveloped Council owned buildings.** | • All building upgrade works undertaken in 2011/12 incorporated environmentally sustainable design considerations. |
| • **Increase in the number of planning** | • The redevelopment of Aqualink Box Hill.<br>Continued requirement under planning permits for larger |

| | |
|---|---|
| **applications that exceed a 5 Star energy rating.** | developments to be environmentally sustainable. |
| • **In the top 5% of councils in the MAV Advanced STEP program for the management of physical assets.** | • Council is implementing its *Asset Management Strategy* to achieve core status under the federal government's *National Asset Management Assessment Framework* by December 2013. |
| • **Continue to implement the Open Space Strategy.** | • Completion of plans and masterplans for Holland Gully Reserve and Box Hill Gardens. |

**3. Deliver organisational excellence, visionary leadership and strong governance, through dedicated people, to ensure the best possible contribution to our community.**

| Indicator | Progress towards meeting our objectives |
|---|---|
| • **Appropriate level of staff turnover and high employee satisfaction.** | • The average turnover rate for 2011/12 was 15 per cent.<br>• Employee Satisfaction was 80 per cent (satisfied or very satisfied with working at the City of Whitehorse. |
| • **Increased attraction and retention of high calibre candidates for Council's vacant positions.** | • Implementation of online employment vacancies and recruitment through a contracted service.<br>• Conducted a major review of human resource policies talking into account legislative changes relating to employment conditions including the *Fair Work Act 2009*.<br>• Anecdotal evidence suggests there has been an increase in the number of candidates responding to vacancies in the past 12 months.<br>• Enhanced and increased the numbers of apprentices and Trainees in the organisation including an on-going Indigenous Apprenticeship Program.<br>• Provided three accredited tertiary qualifications programs for employees (who made a co-contribution of costs) in Project Management and Management with Swinburne University. |
| • **Achievement of the five green risk ratings for financial sustainability conducted by Victorian Auditor-General's Office.** | • Whitehorse achieved an overall financial sustainability assessment of green. Council achieved a green rating in 4 of the 6 risk ratings. These were underlying result, liquidity, indebtedness and self financing. The remaining ratings, being capital replacement and renewal gap, achieved a medium, or yellow, rating. The two ratings are actually trending towards a green risk rating. |
| • Improvement in the Community Satisfaction Survey rating for Customer Service. | • Whitehorse achieved an overall rating of 77 for 2011/12 which is an improvement when compared to the 2009/10 rating of 76. |

**4. Support a prosperous, diverse and healthy local economy that contributes to the wellbeing of our community.**

| Indicators | Progress towards meeting our objective |
|---|---|

| | |
|---|---|
| • Increase in the number of new business enquiries and business kits issued. | • Maintained the number of new business enquiries and business kits issued.<br>• Business Kits are promoted to all local businesses, in particular new businesses starting in Whitehorse. New business registrations in Whitehorse have increased in recent years. |
| • Increased participation in business development programs for new and start up businesses. | • Council facilitated business events, programs, workshops and seminars are strongly promoted to the local business community and are consistently booked out.<br>• Council's business mentoring sessions are regularly booked out |
| • Improved level of satisfaction with Councils business directory for the promotion of local business. | • Council's business website www.wbiz.com.au has received encouraging responses in regard to the ease of use, the business directory and the on-line booking/registration system for Council run events, programs, workshops and seminars. |
| • Increased participation in networking events held by the City of Whitehorse. | • Council's Whitehorse Business Week, KickStart Your Business program and events continue to be well attended. The increase in the number of events, workshops and seminars has meant an increase in networking opportunities and business participation. |

# Financial Summary

Whitehorse City Council has a responsible *Long-Term Financial Plan* covering a 10 year period aimed at achieving financial sustainability for Council. As part of the *Long-Term Financial Plan*, Council will spend approximately $300 million on capital works and maintain a balanced Budget. The *Long-Term Financial Plan* helps Council meet the strategic objectives set out in its Council Plan, and in doing so, provide a wide range of services, programs and facilities as well as maintain and improve the city's infrastructure.

Below is a high level summary of Council's financial performance and position in 2011/12. The summary of financial performance has been made with reference to the Standard Income Statement and compares the actual result with Budget. The summary of financial position has been made with reference to the Balance Sheet. Where relevant, prior year comparatives have been included.

**Financial performance**
**Surpus (deficit) for the year before capital items (underlying result)**
Council's underlying result for the 2011/12 year was a $2.5 million deficit, compared to the Budget underlying surplus of $5.8 million. The reason for this variation was mainly due to the Vision Super Defined Benefit Scheme Unfunded Liability call of $11.3 million.

**Surplus/(Deficit) for the year**
Council ended the year with a deficit of $1.2 million compared to the Budgeted surplus of $8.05 million. This result was mainly due to the demolition of Aqualink Box Hill aquatic building and the Springfield Park Pavilion of $6.8 million. This was offset by additional grant income of $2.5 million and non-monetary contributions of $3.7 million.

**Revenue and expenditure**
Total revenue for the year was $141 million (2010/11: $131.2 million) while total expenses for the year were $143.5 million (2010/11: $127.3 million), resulting in an underlying deficit of $2.5 million (2010/11: $3.9 million surplus).

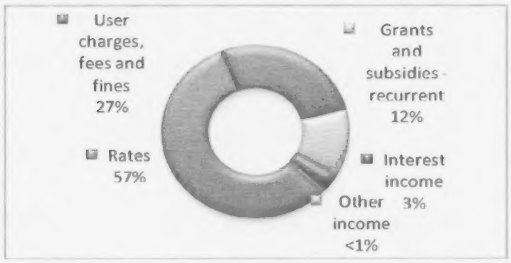
**Council's revenue was mainly derived from the following:**

- Rates revenue of $80 million (2010/11: $73.2 million) – Rates revenue contributed 57 per cent towards total revenue. Rate revenue is a necessary component of Council's total revenue and is used to carry out Council's Strategic Budget Initiatives, which includes environmentally sustainable initiatives.
- User fees and charges of $37.7 million (2010/11: $36.8 million) – User fees and charges increased compared to the prior year mainly due to greater demand for green organise bin services experienced by Waste and Recycling Services, a higher number of planning applications received by the Planning department and an increase in Family Day Care fees contributing to higher revenue earned by the Health and Family Services.
- Grants and subsidies of $17.4 million (2010/11: $15.8 million) – The increase was mainly due to the early receipt in June 2012 of the first two instalments of $2.038 million for the 2012/13 Victorian Grants commission funding. Additional subsidies were also received for the Child Care Centres $0.393 million and Home and Community care $0.312 million. Grants funding received from the Victorian Grants Commission, together with grants received from Home and Community Care and Child Care Centres made up 86 per cent (2010/11: 83 per cent) of al recurrent grants revenue.

- Interest income of $4.8 million (2010/11: $4.8 million) – This relates to interest received on Council's investment in term deposits and cash managed funds, which have been invested in line with Council's investment strategy.

A chart of each type of revenue as a percentage of total revenue is shown on Diagram 1 below.

**Diagram 1 – Breakup of total revenue Financial Summary**

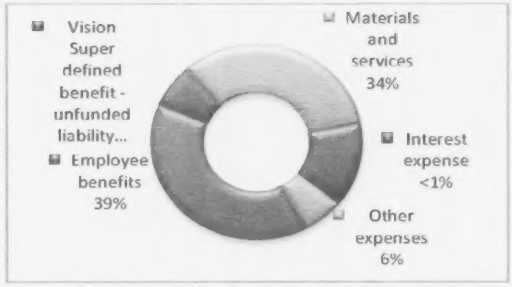



**Council's main expenses incurred relating to the following:**

- Employee benefits of $56.0 million (2010/11: $55.0 million) – This mainly consisted of wages and salaries of $49.4 million (2010/11: $46.4 million), superannuation of $4 million (2010/11: $ 3.8 million) and the Vision Super Defined Benefit Scheme unfunded liability call for $10.4 million (2010/11: $2.2 million).
- Materials and services of $47.7 million (2010/11: $45.5 million) – This mainly consisted of various contracts and services spread across Council services of $16 million (2010/11: $ 14.1 million) and recycling waste of $14.2 million (2010/11: $13.8 million).
- Depreciation of $20.0 million (2010/11: $19.0 million) – The largest component of depreciation expense related to roads of $5.4 million (2010/11: $5.3 million), followed by buildings of $4.8 million (2010/11: $ 4.8 million).

A chart of each type of expense as a percentage of total expenses is shown on Diagram 2 below.

**Diagram 2**


Vision Super defined benefit - unfunded liability... Employee benefits 39%
Materials and services 34%
Interest expense <1%
Other expenses 6%

**Financial position**

At 30 June 2012, Council's total assets were $1,976.7 million (2010/11: $1,963.4 million) and total liabilities were $45.0 million (2010/11: $30.5 million), resulting in net assets of $1,931.7 million (2010/11: $1,932.9 million).

During the year, Council maintained its strong liquidity and working capital position.

Current assets comprised cash and cash equivalents of $84.4 million (2010/11: $77.9 million), trade and other receivables of $7.6 million (2010/11: $7.7 million) and other current assets of $1.6 million (2010/11: $0.8 million). Working capital was calculated as $2.20 million (2010/11: $3.10 million) of current assets for each dollar of current liabilities.

Non-current assets included trade and other receivables of $0.1 million (2010/11: $0.2 million), investment in associates of $6.7 million (2010/11: $7.2 million) and property, infrastructure, plant and equipment of $1,876.3 million (2010/11: $1,869.6 million).

The value of investments in associates decreased as Council recognised its share of the surplus made by Regional Landfill Clayton South of $0.3 million and the

Narre Warren User Group of $0.03 which was offset by the share of the deficit made by the Whitehorse Manningham Regional Library Corporation of $0.5 million and the dividend received from Regional Landfill Clayton South of $0.4 million.

The increase in value of Property, Infrastructure, Plant and Equipment included acquisitions of $31.4 million, developer contributions in the form of land, drainage and road assets of $3.7 million which was offset by depreciation of $20.0 million. Of the amount spent on capital works, $23.9 million (76%) was spent on renewing, restoring, and replacing existing assets. As the level of renewal spending was higher than the depreciation expense, this indicates that Council is investing in existing assets at a higher rate than the assets are depreciating. Property, Infrastructure, Plant and Equipment is the most significant asset on the balance sheet making up 95% of total assets.

Liabilities comprised of trade and other payables of $15.3 million (2010/11: $12.2 million), trust funds and deposits of $5.2 million (2010/11: $4.7 million), interest bearing loan and borrowings of $2.0 million (2010/11: $2.3 million), and employee benefits of $22.5 million (2010/11: $11.2 million).

Of the $2.0 million (2010/11: $2.3 million) fixed rate interest bearing loans and borrowings, $0.3 million (2010/11: $0.3 million) was classified as "current" in the Balance Sheet. The existing loans and borrowings are expected to be fully repaid by 2017/18.

Employee benefits consisted of the provision for annual leave of $4.3 million (2010/11: $4.0 million) and the provision for long service leave of $7.8 million (2010/11: $7.2 million). The increase in employee benefits is due to more employees qualifying for long service leave entitlements during the year.

The movement in total equity related to the deficit for the year of $1.2 million (2010/11: $6.7 million surplus).

**Financial Outlook**
Council is preparing for its fourteenth balanced Budget in the 2012/13 year. Whitehorse's *Long-Term Financial Plan* outlines Council's intention to achieve a sustainable underlying operating surplus position.

It is important to note that Council's long-term financial position was predicated on a rate increase of 5.7% plus an additional 0.1% to recover the increase in the state government landfill levy and an annual rate income of 5.8% over the remainder of the *Long-Term Financial Plan*. This is a practical and fiscally responsible policy position taken by Council to ensure that Whitehorse is able to deliver services and capital works that will meet the needs of its diverse community for many years to come.

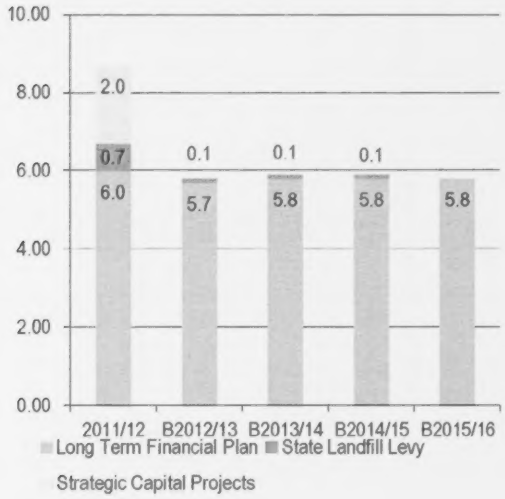
With these increases, Whitehorse will continue to have one of the lowest levels of rates in metropolitan Victoria, while maintaining high quality services and facilities and addressing the challenges of rising costs, effects of extreme weather events, maintaining ageing infrastructure and cost shifting from other levels of government.

**Financial Sustainability**
A high level Strategic Resource Plan for the years 2012/13 to 2015/16 has been developed to assist Council in adopting a Budget within a prudent longer term financial framework. The key objective of the plan is financial sustainability in the medium to long term, while still achieving the strategic objectives as outlined in the *Council Plan 2012-2016*.

The *Council Plan 2012-2016* ensures steady progress towards achieving the sustainability measures set by the Victorian Auditor-General. Council will maintain an underlying operating surplus while placing higher priority on capital works renewal by increasing maintenance on existing infrastructure assets. The plan also focuses on the maintenance of cash reserves and minimisation of debt to fund major capital projects.

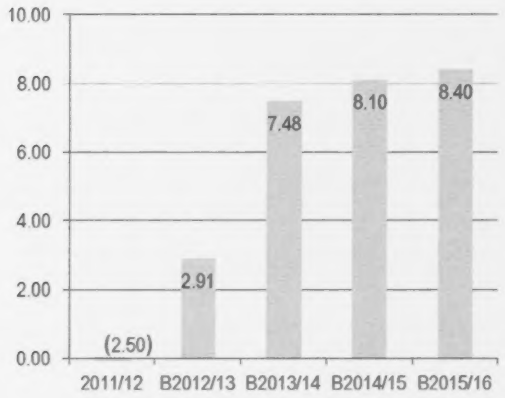
**Supporting Graphs**
The following graphs highlight Council's *Long-Term Financial Plan* for rates, operating result and capital works expenditure over the next five years.

**Rates**

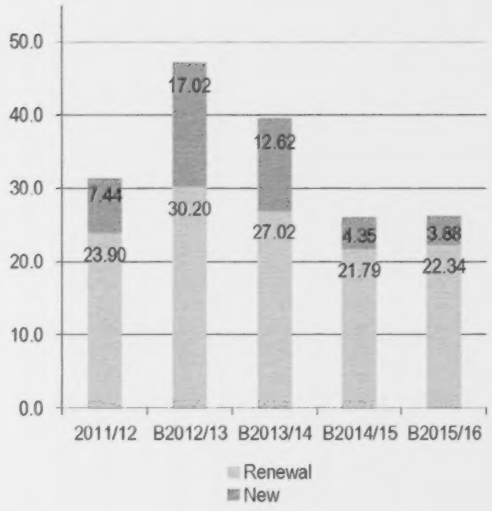



Strategic Capital Projects

**Underlying Results**




**Capital Works Program**




Please see from page 102 for the complete Financial Report.

# Victorian Local Government Indicators

| Whitehorse City Council | | | | |
|---|---|---|---|---|
| **Victorian Local Government Indicators** | **Target 2011/12** | **Actual 2011/12** | **Target 2010/11** | **Actual 2010/11** |
| Average rates per assessment | $1197.48 | $1196.09 | $1103.76 | $1100.88 |
| Average residential rates per residential assessment | $1151.25 | $1150.53 | $1060.60 | $1058.16 |
| Average liabilities per assessment | $406.36 | $595.74 | $387.77 | $388.24 |
| Operating result prior to captal funding | $6,780,000.00 | ($4,994,000.00) | $955,000.00 | $5,338,000.00 |
| Operating result per assessment | $121.19 | ($18.26) | $26.10 | $100.88 |
| Average operating expenditure per assessment | $2002.77 | $2145.17 | $1944.67 | $1915.91 |
| Average capital expenditureper assessment | $479.04 | $468.79 | $350.80 | $394.94 |
| Infrastructure renewal | 159.02% | 126.39% | 100.58% | 109.69% |
| Infrastructure renewal and maintenance | 138.31% | 117.16% | 100.40% | 106.09% |

SECTION THREE

# Departmental Reports

**EXECUTIVE SERVICES**
- Civic Services
- Communications

**CORPORATE SERVICES**
- Compliance
  - Community Laws
  - Risk Management
- Finance and Information Services
  - Finance
  - Information services
    - Information technology
    - Corporate information
- Organisation Development
- Property and Rates

**CITY DEVELOPMENT**
- City Planning
  - Planning and Building Department
  - Business and Economic Development
- Engineering and Environmental Services
  - Sustainability
  - Transport
  - Design and Construction
  - Engineering Assets

**HUMAN SERVICES**
- Arts and Recreation Development
  - Cultural Facilities and Programs
  - Leisure Facilities
  - Parks Planning and Recreation
- Community Development
- Health and Family Services
  - Children Services
  - Environmental Health Services
- Home and Community Care
- Library Services

**INFRASTRUCTURE**
- Capital Works
- City Works
- ParksWide
- Recycling and Waste Centre

# EXECUTIVE SERVICES

## Civic Services

The Civic Services Department is responsible for frontline and strategic customer service, provision of governance advice, statutory and procedural matters, Civic Centre amenities and in-house printing services. The department also provides support to the Mayor and Councillors, the Executive Management Team and internal staff. Council's Customer Service Centres operate from Nunawading, Box Hill and Forest Hill during business hours. During after hours, Council can be contacted via the after hours telephone service or online.

**Highlights for 2011/12:**
- Australian citizenship was conferred on 610 candidates at 6 Citizenship Ceremonies
- Other civic events during the year included a delegation comprising of Whitehorse Councillors, Council staff and residents who travelled to Council's Japanese sister city Matsudo, to acknowledge the fortieth anniversary of the sister city relationship between the two municipalities
- Governance staff provided administrative support for 13 Council meetings and 10 meetings of the Special Committee of Council as well as monthly Councillor briefing sessions and weekly meetings of the Executive Management Team
- Governance practices, procedures and processes were reviewed and are ongoing with changes implemented to enhance accountability and transparency
- In-house printing services were further developed to produce a large range of quality and complex documents for the organisation and the wider community incorporating sustainability practices
- Establishment of a Councillor Liaison Officer role to assist Council staff with processing and coordinating response

to more complex interdepartmental customer requests and correspondence. The role also provides support to Councillors and residents through processing 352 Councillor requests and assisting with 4 Ombudsman referred matters

- Staff at Council's nine contact centres answered a total of 338,836 calls (1796 more phone calls than in 2010/11). 80.45 per cent of these calls were answered within the first 20 seconds. 140,576 of these calls were answered by the Customer Service Unit
- Council's Service Centre's served 56,725 customers over the counter and 563,612 cashiering transactions were processed. 60, 872 requests for action were received and 90.84 per cent of these were completed on time
- Whitehorse CARES Customer Services Values provides a framework guideline for customer service standards across the organisation, the CARES workshop is included in the induction program for all new staff
- A Best Value service review of the Civic Centre Operations service was completed and a continuous improvement plan developed for the service
- Hosted and catered for 4448 internal and external events in the staff meeting rooms at the Whitehorse Civic Centre
- An overall audit and review of time and resources currently devoted to increasing government regulations and compliance requirements
- An audit of Council's statutory compliance requirements by the Local Government Inspectorate which found Council to be complying with all requirements other than one requiring minor action.

**Challenges:**

- Maintaining Council's high standard customer responsiveness and striving for first point of contact resolution
- Continuing to meet the high expectations of the community, councillors and Council staff for services and support by the department
- Developing a strategic approach to customer service in relation to new and emerging technologies
- Growing compliance and legislative obligations.

**Moving forward:**

- Continuous assessment of Best Value Reviews of services provided by the department
- Continue to improve staff and councillor awareness of good customer service levels and good governance practices through corporate training, information and awareness programs
- Build on the CARES program and implement the Customer Service Charter as part of the Whitehorse Customer Service Strategy
- Upgrade of existing customer request system technology
- Relocation of Forest Hill Service Centre (within the Forest Hill Shopping Centre complex)
- Planning and implementation for the 2012 Council elections and induction of elected Council
- Review of the Whitehorse Council Best Value program and continuous improvements.

**EXECUTIVE SERVICES**

## Communications

The Communications Department provides information on Council services and activities to the community, Councillors, staff and media.
This is provided in a number of ways including Council's newspaper the Whitehorse News, corporate brochures and other publications. The department also manages Council's website and intranet, produces media releases and responses and is responsible for strategic communications and issues management, assisting with civic openings and events, coordinating corporate identity and promotional activities.

In addition, the department facilitates advocacy, community engagement and

consultation on a range of key services, activities, issues projects and events.

**Highlights of 2011/12**

- Provided staff training on the Whitehorse *Writing Style Guide* to ensure a benchmark of excellence in all Council Officer communications skills
- Increased the amount of advertising produced in languages other than English to better support our culturally and linguistically diverse community
- Produced: 12 editions of Council's 16-page newspaper the Whitehorse News, 244 media releases, 181 media responses, 114 speeches, 26 flyers and posters, 12 informative Council publications
- 50 updated fact sheets, 52 weekly advertisements, regular public notices and other ads in targeted press
- Produced: Annual Report, Community Directory, the *Council Plan 2010-2014*, Rates Brochure, Whitehorse Calendar and co-produced a number of other Council publications and strategies
- Actively promoted: Sustainable Living Week, Spring Festival, Carols by Candlelight, Whitehorse Business Week, Heritage Week, Australia day Awards and Celebrations, summer music series-Swing Pop Boom, Harmony Day and various other Council events
- Designed various banners, hoardings and vehicle livery
- Continued media partnership with Channel 9 to promote Council festivals and events
- Continued sponsorship with Whitehorse Leader
- Appointing an in-house graphic designer ensuring smoother operations for the department/

**Challenges**

• Communicating effectively with our diverse community
• Gaining state and federal government funding through advocacy campaigns
• Implementation and mediation of social media.

**Moving Forward**

• Supporting advocacy campaigns.
• Keeping our community informed in a clear, concise manner
• Producing an education pack for kindergarten through to tertiary students
• Continuing to improve delivery of Council communications materials.

# CORPORATE SERVICES

## Compliance Department

The Compliance Department has two main areas of responsibility incorporating Community Laws and Risk Management. The Community Laws Unit is responsible for Council's statutory, safety and amenity issues in the areas of domestic animal management, parking enforcement and the administration of a number of state and local legislation. In addition the unit also manages Council's school crossing and fire prevention programs.

The Risk Management Unit works with other departments in identifying, analysing and treating risk and potential risks. The department also manages Council's responsibilities as they relate to emergency management, business continuity and coordinates the insurance needs of the organisation including the procurement of adequate insurance cover and the claims management process.

**Highlights for 2011/12:**

- The actions identified as part of the *Domestic Animal Management Plan* were completed including a review of dog off lead areas in Whitehorse
- The development of the *Flood Management Plan* in partnership with Melbourne Water and VICSES
- Hosted the Victorian Parking Steering Group Conference with over 40 municipalities represented
- Risk management audit conducted by Council's insurer – placing Whitehorse in the top 25 per cent of Councils in Victoria
- Build site management has resulted in improved safety and amenity around sites being developed
- Education Officer has provided assistance to schools, pet owners and park users on responsible pet ownership principles
- Partnered with Council's Sustainability Unit to develop a litter and dumping awareness campaign for Box Hill residents
- Developed a comprehensive guide to assist businesses operating in Whitehorse on requirements for street trading.

**Challenges:**

- Addressing state government requirements for local government in emergency management planning including involvement in a series of pilot programs and addressing emerging issues
- Impact on accessible parking in Box Hill Central Activities Area and hospital precinct due to development in the area and the unavailability/removal of on-street parking
- Provision of school crossing program due to high turnover of staff
- Increasing insurance premiums due to a series of natural disasters throughout Asia and the Pacific region.
- Embedding Business Continuity.

**Moving Forward:**

- Implementing strategies identified in the Best Value review of Council's parking services that will add value to the program. These include extending the service hours, focusing on school crossings and clearways, provide support to local businesses by ensuring access to available parking spaces are at the optimum and providing an efficient and effective parking monitoring program
- Conducting a comprehensive review of Council's *Community Local Law No.1*
- Improving responsible pet ownership in Whitehorse.

# CORPORATE SERVICES

## Finance and Information Services

The Finance Department manages all of Council's financial transactions including preparing the annual Budget and the annual financial statements for adoption by Council, as well as providing services

to all departments for payroll, contracts and purchasing, management reporting and accounting services. Finance carries out the treasury function for Council ensuring funds are invested in accordance with the *Whitehorse Investment Policy*.

The Finance team prepares Council's critical strategic documents, the *Council Plan*, *Strategic Resource Plan* and the *Long-Term Financial Plan*. These documents set out medium to long-term objectives to ensure that the organisation remains financially sustainable.

**Highlights of 2011/12:**

- Revised the ten year long-term plan to inform future Budgets and ensure financial sustainability
- Prepared the *Adopted Budget 2012/13* that was adopted on 25 June 2012
- Conducted community consultation as part of an enhanced Budget consultation process including:
    - Consultation at Councillor Ward Forums;
    - Budget Survey distribution;
    - *Annual Residents' Survey*;
    - Budget specific questions; incorporated in the *Annual Residents' Survey*;
    - Budget Reference Group with Councillors that met monthly;
    - Review of Budget submissions received in the previous year for consideration in 2012/13.
    - More than 50 other Council consultations impacting on the development of the Proposed Budget 2012/13
- Participated in the Municipal Association of Victoria (MAV) Local Government Financial Sustainability project
- Production of the 2011/12 Annual Financial Statements including the receipt of an unqualified audit opinion from the Victorian Auditor-General
- Held five meetings of the Audit Advisory Committee
- Reviewed the *Procurement Policy* and presented to Council for adoption
- Upgraded Council's financial and electronic procurement systems
- Revised the *Council Plan 2011-2015* resulting in the production of the *Council Plan 2012 – 2016*
- Tendered the provision of Internal Audit services with the contract awarded to PricewaterhouseCoopers.

**Challenges:**

- Maintaining Council's financial sustainability by consolidating the good steady progress towards achieving the sustainability measures set by the Victorian Auditor-General
- Ensuring that exposure to the effects of economic climate is minimised including income streams such as interest
- Continuing to focus on Council's Capital Works Program by achieving a balance between reserves, borrowings and rate funding for major capital projects
- Managing the effects of changes to *Australian Accounting Standards* and financial reporting directives issued by the Department of Planning and Community Development.

# CORPORATE SERVICES

## Information Technology

Information Services provides support and maintains reliable and cost effective communications and computing systems, facilities and infrastructure to Council staff enabling them to deliver services in a smart, productive and efficient way.

The department also provides centralised corporate information management for the organisation including extensive on-site archival services, filing, maintenance, scheduling and disposal of all corporate records, as well as monitoring compliance with the Information *Privacy Act 2000*.

**Highlights for 2011/12:**

- Following the successful implementation of Council's new telephone system, IT took on management of all Council's

telecommunications
- Assisted with the implementation of an environmental health licensing system that will facilitate government reporting compliance and enable mobile enquiries and inspections
- Assisted with the implementation of an Occupational Health and Safety System that will facilitate organisation wide hazard and incidental reporting. The system will allow for the monitoring and management of all reported incidents and hazards through to resolution
- Consolidation of Council's virtualised environment and the storage area network infrastructure to further reduce costs and provide a greater return on investment
- Conducted upgrades to core systems that support the daily business processes within Council
- Continued more refined integration and automate key corporate systems
- Continued to develop and maintain council computer assets with a focus on efficiency and sustainability
- Continued a database consolidation project to ensure operation in an efficient, best practice and compliant environment.

**Challenges**
- Provide a balance between secure and robust systems, safe from ever-present malicious viruses and other threats and the need for function-rich and efficient business tools
- Implement energy-efficient technology to reduce both energy consumption and heat emissions, while maintaining fully functional, reliable and robust systems
- Introduce economical systems that cater for the mobile workforce and enable more efficient work practices
- Balance business process automation with view to improve operational efficiency.

**Moving Forward**
- Continue implementation of the database consolidation project
- Continue the wide area network upgrade for remote sites
- Review organisational printing requirements and implement efficient and economical systems.

# CORPORATE SERVICES

## Corporate Information

**Highlights for 2011/12:**
- Continued to promote information management best practices across the Council to strengthen the good record keeping culture
- Continued to review *Information Management Security and Information Privacy* requirements to ensure all staff members can retrieve the right information at the right time in order to make the right business decisions
- Continued internal training on information privacy to ensure that staff are able to carry out their duties with a sound understanding of the core principled of the *Privacy Act 2000*
- Continued to support all staff members with Information/Records Management and TRIM (Council's record keeping system) inquiries on a daily basis.
- Continued TRIM Post Implementation Review
- Completed the Carelink+ (Client Management System) and TRIM integration and reviewed client file management processes
- Completed the Health Manager (Environment Health Management System) and TRIM integration
- Upgraded TRIM to Version 7.1 and conducted staff information sessions to highlight system changes and new features
- Began to provide TRIM action tracking monthly report to monitor Council's incoming correspondence process
- Began the Building Permit Transfer project on an offsite secondary storage.

**Moving Forward:**
- Continue TRIM Post Implementation Review

- Continue implementation with the *Information Management Policy*.

# CORPORATE SERVICES

## Organisation Development

The Organisation Development Department provides advice and support to managers and employees on human resource issues, learning and development, Occupational Health and Safety and injury management. The department is also involved in strategic initiatives such as change management and workforce planning.

**Highlights for 2011/12:**

- Commenced negotiations for the *Whitehorse City Council Collective Agreement 2012*
- Continued to implement the *Charter of Human Rights* within the organisation
- Delivered more than 50 different learning and development initiatives at various locations across Council
- Delivered major compliance programs in Equal Opportunity, Privacy, Whistleblowers and Fraud, trade practices and developed new tools for future compliance programs
- Implementation of online *Learning Management Systems*
- Enhanced and increased the numbers of apprentices and trainees in the organisation including an ongoing *Indigenous Apprenticeship Program*
- Implemented a partial restructure of the Organisation Development Department to better deliver services to the organisation
- Assisted with the development of the *Aqualink Box Hill Interim Staffing Structure*
- Review and delivery of injury management training resulting in enhanced injury management practices
- Conduct a staff survey and listening forums
- Implementation of the administration casual pool
- Trial of a Recruitment Specialist role for designated Council departments
- Provision of *Work Health Program* for employees.

**Challenges:**

- Continue to keep up to date with best practice strategies for achieving a viable, productive and long-term workforce
- Consolidation of the department's three online systems
- Enhancing Councils workplace hazard inspection program
- Completing and implementing the *Whitehorse City Council Collective Agreement 2012*.

**Moving Forward:**

- Targeted and engaging professional development programs implemented for the leadership group of Council
- Implementation of a volunteer advisory role to support the increasing legislative obligations for volunteers
- Assistance with the development of a partnership staffing structure for the Aqualink Box Hill Redevelopment
- Refreshing Council's *Workforce Plan*
- Review of Council's *E-Learning Strategy*
- Enhance career development opportunities
- Enhance Council's employee on-boarding process.

# CORPORATE SERVICES

## Property and Rates

The key responsibilities of the Property and Rates Department include the availability and delivery of accurate land and property information, the generation and collection of rates and fees, the provision of expert technical advice and managing Council's property asset base. The four units within the department are Geographic Information System (GIS), Property, Rates and Valuations.

The department coordinates the revaluation of all rateable property within the city, provides rating services for more than 67,500 assessments, recognises all rate revenue accounts, provides desktop mapping tools and coordinates all property transactions for Council including sales, purchases, leases and road discontinuances.

The department is also available to provide professional and technical advice to other Council departments about managing Council land.

**Highlights for 2011/12:**

- Adopted the 2012-level general revaluation of 66,500 rateable properties for rating purposes. The total Capital Improved Value of properties in the city is now in excess of $42 billion
- Developed the *Council Lease and Licensing Policy* for Council owned land and buildings
- Maintained the rates income collection-rate at greater than 98 per cent
- Commenced the GIS upgrade process by finalising Microsoft SQL server requirements
- Completion of a Council-managed land (CML) register which relates to all land where Council has a proprietary interest. Additional CML work included the digital capture of plans, titles and ownership history
- Commissioned and supervised the *2011 Annual Residents' Survey* conducted by independent research company, Nexus Research.

**Challenges:**

- The potential introduction of the state government fire levy
- Implement a new GIS platform which will increase utilisation and enhance GIS capability within Council and improve ratepayer/residents capability via Whitehorse Mapping-GIS online which is available on Council's corporate website
- Apply the 2012-level revaluation figures and respond to any ratepayer concerns regarding the revaluation figures
- Develop a Lease Register to improve Council's lease management.
- Implementation of the *Council Property Lease and Licensing Policy*.

**Moving Forward:**

- Implementation of the *Council Property Lease and Licensing Policy*
- Award and oversee the valuation contract in accordance with the *Valuation Best Practice Guidelines* released by the Valuer General Victoria to ensure that the 2014-level general valuation is returned accurately
- Complete a review of all non-rateable properties including Cultural and Recreational Land properties
- Complete an asset revaluation of all Council owned property in accordance with *Australian Accounting Standards*
- Continue upgrading the GIS.

# CITY DEVELOPMENT

## Planning and Building Department

The Planning and Building Department is responsible for planning policy development and providing strategic direction to support the appropriate growth in residential, commercial and industrial development within the city. It is also responsible for ensuring that development within the municipality complies with relevant planning legislation and for the assessment and determination of planning permit applications.

The department also provides full building surveying services, including building certification, design consultation and inspection of works.

**Highlights of 2011/12:**

- Implementation of Stage 2 of the *Whitehorse Planning Scheme* review
- Relaunch of the *Built Environment Awards*
- More efficient decisions on planning permit applications
- Preparation of the *Box Hill Political Advocacy Strategy*
- Preparation of an *Essential Safety Services Measures Strategy*.

**Challenges:**

- Implementing adopted structure plans and urban design frameworks through amendments to the planning scheme
- Advocating state government funding for projects to improve the Box Hill Central Activities Area
- Maintaining adequate building enforcement actions based on the number of complaints received
- Continuous improvement of processes and procedures
- Promoting and achieving high levels of sustainable design in developments.

**Moving forward:**

- Review of the *Whitehorse Housing Study* and *Neighbourhood Character Study*
- Staging of the relaunched *Built Environment Awards*
- Further implementation of structure plans and urban design frameworks
- Ongoing training in the new disability regulations

# CITY DEVELOPMENT

## Business and Economic Development

The Business and Economic Development Unit leads, stimulates and facilitates local economic development in partnership with business and community networks.

**The role of this unit in supporting business growth includes:**

- Investment and development facilitation
- Networking and strategic business partnerships
- Business research, information and communication
- Promotion of local businesses
- Collaboration with stakeholders to maintain a regional focus.

**Highlights of 2011/12:**

- Whitehorse Business Week: more than 900 business representatives attended a series of business development and networking events
- More than 100 businesses attended a range of business workshops and seminars during the KickStart Your Business program
- Encouraged business usage of Council's business website www.wbiz.com.au with upgrades to Council's Business Directory information and on-line booking facility for Council's program and events
- Successfully completed the Whitehorse Tertiary Business Skills program
- Commenced the renewal of the Blackburn Station Village Special Rates and Charges scheme
- Successfully conducted Council's annual Think Local Buy Local campaign

- Facilitated by monthly mentoring sessions and mobile mentoring bus visitations for local small businesses
- Completed the *Business Monitor Survey* to assess business conditions, opportunities and expectations.

**Challenges:**

- Maintain business confidence and engagement in times of economic uncertainty
- Encouraging local businesses to engage in contemporary online marketing technologies and opportunities
- Encouraging home-based business to grow and develop
- Encouraging suitable and appropriate commercial development that strengthens the existing retail, business and industrial areas
- Attract appropriate investment to the Box Hill Central Activities Area.

**Moving Forward:**

- Initiate and facilitate investment attraction through the communication of the *Whitehorse Investment Prospectus: Whitehorse, Discover the Advantage.*
- Maintain a strategic focus in the growth and development of the local business community
- Renew the Special Rate and Charges scheme at appropriate retail precincts
- Maintain a regional focus to facilitate opportunities for local businesses and residents.

# CITY DEVELOPMENT

## Engineering and Environmental Services

The Engineering and Environmental Services Department provides a range of services to the community including traffic, road strategy, sustainable transport, strategic asset management, infrastructure, design and construction including the design, construction and revitalisation of urban public spaces, play space improvements. The department is also responsible for waste and recycling and coordinating implementation of the *Whitehorse Sustainability Strategy 2008-2013: Our Eco Vision.*

The Engineering and Environmental Services Department is responsible for strategic asset management planning for key infrastructure including more than 700 kilometres of road, more than 1300 kilometres of footpaths, 824 kilometres of drains, 12 gross pollutant traps, 38 litter traps, around 10,000 streetlights and 159 play spaces. The department is also the key driver and facilitator for many of Council's sustainability initiatives.

**Design and Construction Team**

The Design and Construction Team is responsible for the management of civil and urban design, capital works projects including scoping, designing, document preparation, tendering and supervision of works. Works include roads, drainage, traffic treatments, special charges schemes, revitalisation of urban public spaces, streetscapes and play space improvements.

**Highlights for 2011/12:**

- Resurfaced and reconstructed 73,100 square metres of local roads including reconstructing Wilson Street, Peel Street, Premier Avenue and the laneway at the rear of Rangeview Shops
- Rehabilitated and constructed 850 metres of stormwater drains
- Completed a stormwater harvesting system and improvements to the ornamental lake in Box Hill Gardens
- Completed the majority of works for the upgrade and reconstruction of the Bill Sewart Athletics Track as well as remedial works to the East Burwood Velodrome
- Reconstructed shared pedestrian and bicycle paths in Buckanbe Park and Holland Gully
- Constructed new car parks at Bennettswood Shopping Centre and Bushy Creek Reserve
- Upgraded the CCTV system in Box Hill Mall and provided new CCTV cameras and lights in adjacent laneways

- Installed new pathway lights in Wood Park and upgraded the lighting at the entrance to Aqualink Nunawading
- Installed new play spaces at Redland Drive, Felicia Dale and Kingsley Gardens
- Completed design and construction on the upgrade of the streetscape in central Box Hill as well as Station Street, Nunawading
- Provided Christmas decorations at various location
- Upgraded the streetscapes at Brentford Square courtyard area and sections of the Megamile and conducted detailed design of streetscape works in Blackburn Station Village.

**Challenges:**

- Continue to be a leader in local government in the use of recycled and sustainable materials for construction of infrastructure projects.

**Moving Forward:**

- Complete the accelerated infrastructure and streetscape renewal program in the Box Hill Central Activities Area
- Complete Stage 1 of the redevelopment of the Nunawading Retail Precinct – Station Street
- Commence the streetscape work in Blackburn Station Village
- Conduct major drainage upgrades and rehabilitation works.

**Engineering Assets Team**

The Engineering Asset Team provides strategic asset management of roads and drains, management of road and drains asset databases and systems, the consideration and issuing of various permits relating to the protection of Council civic assets, easements, works on roads, flooding and drainage.
The Engineering Assets Team is also responsible for street lighting costs, charges and improvements and Council's statutory contribution to the Metropolitan Fire and Emergency Service and other engineering enquiries.

**Highlights for 2011/12:**

- Staff actively involved in the implementation of the new *Integrated Asset Management System*
- Submitted a major application for federal government funding for the changeover of street lights to new energy-efficient lights through the Community Energy Efficient Program
- Completed 256 drainage investigations relating to flooding during extreme storms
- Commenced stormwater drainage data collection for transfer of drainage data from historical plans to the GIS mapping system
- Managed external contractors and service authorities working in road reserves to ensure that Council assets are not damaged
- Prepared and introduced new processes and procedures for consents to conduct works in road reserves and drainage easements including the preparation of guidelines and fact sheets for new procedures.

**Challenges:**

- Management of Council assets relating to the damage caused by building works and service authority works in road reserves
- Increasing customer requests relating to drainage issues due to the impact of climate change
- Assisting the implementation of the *Whitehorse Asset Management System*
- Management of the transfer of stormwater drainage data to the GIS mapping system.

**Moving Forward:**

- Continuation of the implementation of the *Integrated Asset Management System*
- Prepare for the bulk changeover of streetlighting to energy efficient lighting (to commence in 2012/13)
- Reviewing and updating Council drainage policies to take into account the increased development in the municipality
- Accelerated recording of drainage assets from historical plans onto Council's GIS mapping system and *Integrated Asset Management System*
- Developing guidelines and fact sheets

and a clear point of contact for Construction Management Plans associated with developments
- Preparing customer fact sheets and guidelines for drainage and roads.

**Sustainability Team**

The Sustainability Team is a key driver and facilitator of actions in the *Whitehorse Sustainability Strategy 2008-2013: Our EcoVision* and various Council sustainability plans. The Sustainability Team also deliver specific sustainability programs for energy, water and waste within Council and the community. The team is also responsible for the delivery of Council's key waste services for domestic garbage collection, kerbside recycling and hard and green waste collection. Full details of the work from this team can be found on page 32 within the *Sustainability Initiatives* section.

**Highlights for 2011/12:**
- Completed the *Whitehorse Waste Management Plan 2011* and commenced implementation
- Tendered and evaluated new seven year contracts for Council's waste and recycling services for domestic garbage, garden organics, recyclables, hard waste and unwanted household goods
- Developed and implemented a successful Sustainable Living Week 2012 with 18 community events and workshops attended by over 1400 people
- Provided a series of sustainability workshops and events throughout the year covering topics such as the impact of the carbon price, home composting, sustainable gardening, energy and water saving, recycling and permaculture
- Promoted Fair Trade products and developed events for Fair Trade Fortnight to raise awareness about Fair Trade ethics, suppliers and products
- Conducted a Renew kerbside collection and drop-off day for the recycling of unwanted but usable household items. A total of 43,791kg was collected from the kerbside Renew service and 20,920kg of electronic goods and household items was brought to the Renew drop-off day
- Continued to provide free recycling services for light globes and batteries as well as free showerhead exchange
- Continued to provide community rebates for the installation of water tanks, solar hot water, solar panels and home composing systems
- Continued to support sustainable community groups such as the Sustainability Street and Transition Whitehorse community
- Supported 5 local schools to participate in the *Australian Sustainable Schools Initiative* program, AuSSI Vic.

**Challenges:**
- Further reducing waste sent to landfill, in particular the recovery and recycling of organic food garden waste and recyclables from garbage bins
- Further reducing Council and the community's carbon footprint through the reduction in energy consumption and increased use of renewable energy
- Continuing to strive towards Council's target for energy, water and waste reduction
- Assessing the impact of the carbon price and establishing new reporting arrangements to monitor Council's carbon emissions in line with National Greenhouse and Energy Reporting (NGER) requirements.

**Moving Forward:**
- Implementation of actions from key sustainability strategies such as the *Whitehorse Sustainability Strategy*, the *Waste Management Plan*, the *Climate Change and Adaption Plan* and the *Peak Oil Action Plan*
- Implementing the new waste and recycling service contracts including the transition to a ring and book hard waste service
- Delivering a series of workshops, events and activities on priority sustainability issues such as waste avoidance and minimisation, and

reducing energy and water consumption
- Developing and delivering a successful Sustainable Living Week program.

**Transport Team**

The Transport Team provides transport engineering services, advice on planning permit applications, response to transport customer requests, strategic traffic and sustainable transport planning, public transport and bus shelter issues, parking management, preparation and community consultation for future traffic treatments and the delivery of the *Road Safety Strategy* and the *Whitehorse Integrated Transport Strategy.*

**Highlights for 2011/12:**
- Delivery of 34 school based road safety, sustainable transport and active transport programs
- Delivery of 8 programs focusing on the transport needs for elderly community members
- Placement of Council's speed observation trailers in 259 local streets
- Successfully advocated for the amendment to school speed zones surrounding 12 schools
- Installed traffic treatments in Morack Road, Vermont South and Junction Road, Nunawading
- Conversion of Incandescent globes to LED technology traffic lights in 7 locations.

**Challenges:**
- Increasing number of customer requests and planning referrals.
- Changing state government priorities.

**Moving Forward:**
- Development of a new *Road Safety Strategy*
- Focus on the safety needs of pedestrians and cyclists
- Assist with the removal of rail crossing at Mitcham Road and Rooks Road, Nunawading
- Assist with preparing the feasibility study into the removal of the rail crossing at Blackburn Road, Blackburn.

# HUMAN SERVICES

## Arts and Recreation Development Department

## Cultural Facilities and Programs

Arts and culture is an integral service of Council as it represents the cultural identity of the City of Whitehorse. There are many different ways people access and chose to participate in arts and culture in Whitehorse. There are five cultural facilities that host art programs and activities throughout the year, a festival season of events, weekend markets, public art and venues for hire for community run activities. The cultural services offered to the community are many and varied reflecting the diversity of the Whitehorse community.

**Highlights for 2011/12:**

- Art Without Borders – a textile art program that recognises newly arrived migrant women and has attracted 13 participants from diverse cultural and ethnic backgrounds creating textile art stories from their homeland
- The Box Hill Town Hall conducted 29 community groups tours of the building. Most notable was a tour of 15 people with paraplegia. Feedback from all groups has been positive and reflecting Councils commitment to preserving our heritage facilities
- The 2012 Australia Day Concert attracted approximately 15,000 attendees who enjoyed an entertaining concert and a spectacular fireworks display. Newly implemented risk, safety and traffic management practices saw this event pass without incident
- Heritage Week was a major event in the heritage calendar with the theme *Appreciating the Past* and celebrated Whitehorse's local history. The success of Heritage Week recognises the collaborative work of the historical societies within Whitehorse and Council
- Council driven operational improvements introduced for the 2012 Chinese New Year Festival assisted the Asian Business Association of Whitehorse to deliver a successful event
- Exhibition highlights form 2011/12 include *Forest Threads* attracting over 1500 visitors, the *Age of Aquarius* attracting close to 1300 visitors. Demonstrations held during *First Threads* attracted many more visitors to Saturday openings
- The Whitehorse Centre Professional Theatre and Music season has continued to have high attendances with an average attendance rate of 91 per cent, including a number of sold out performances. These consistent statistics indicate that the venue is highly valued within the community.

**Challenges:**

- Ensure risk and safety measures are in place to appropriately stage community managed events
- Increase audience participation in heritage programs and increase community awareness of Schwerkolt Cottage and Museum
- Box Hill Community Arts Centre is challenged with accommodating all booking requests due to the lack of available space
- Ensuring the marketing and communication of cultural services is effectively reaching its intended community members
- Managing the increased demand for the Whitehorse Centre with regards to venue seating capacity, foyer limitations and car parking constraints
- Requests for exhibition space continue to exceed exhibition opportunities at the Whitehorse Art Space.

**Moving Forward:**

- Continue to present courses, exhibitions and events that are community driven and celebrate the diversity of the community
- Continue partnerships and cooperation with other Council departments and external bodies; locally, nationally and

internationally to present programs of excellent quality
- Further promote the use of public transport when attending training seminars at the Box Hill Town Hall as a sustainable form of transport for attendees and to respond to limited parking in the area
- Continued development of *Event Permit Application Process* and associated documentation to clarify and support community run events within the municipality
- Continue to accommodate increasing festival audiences through the provision of appropriate infrastructure and resources
- Continue to develop ways Cultural Facilities and Programs can operate in a sustainable manner
- Major conservation work will be conducted on heritage works in the Art Collection in the next financial year, ensuring that the heritage works are preserved for future generations.

**Spotlight:**
The Schwerkolt Cottage Museum extension was officially opened on Sunday 11 September 2011 prior to the commencement of the Open Day for Heritage Week. The new extension to the Schwerkolt Cottage has improved access for people to visit the Museum and experience the local history collection on display, as well as providing the Museum increased display opportunities for the collection.

# HUMAN SERVICES

## Leisure Facilities

The Leisure Facilities Unit provides leisure and recreational activities for the Whitehorse community and comprises of five facilities – Aqualink Nunawading, Aqualink Box Hill, Morack Public Golf Course, Nunawading Community Centre and Sportlink Vermont South.

**Highlights for 2011/12:**
- The multipurpose sports stadium at Aqualink Box Hill was redeveloped and included the installation of a new roof, internal and external cladding and the replacement of windows
- Aqualink Box Hill successfully transitioned to a temporary service in February 2012 with the enclosing of the outdoor 25 metre pool to accommodate aquatic activities during the Aqualink Box Hill Redevelopment
- The conversion of court 3 of the multipurpose sports stadium to incorporate a gymnasium during the Aqualink Box Hill Redevelopment
- Aqualink Nunawading expanded their group fitness program with 40 additional classes in February to accommodate Aqualink Box Hill's group participants. The crèche service was also expanded by 5 places per session to accommodate additional patrons from Aqualink Box Hill during the redevelopment
- Improvements to the leisure pool area at Aqualink Nunawading were conducted including the installation of a new wet deck surface and enhancements to the presentation of the space
- Golf Services Management were awarded a 3 year contract extension for the management of Morack Public Golf Course following a successful initial 3 year term
- The 5th annual Morack Golf Challenge was conducted in October 2011 with 48 players participating. The Golf Challenge continues to raise awareness of the course and create goodwill amongst the regular players
- Sportlink Vermont South hosted the Livingstone Challenge with 180 primary schools invited to participate in the netball tournament. The event was a huge success
- Sportlink Vermont South successfully launched table tennis and badminton coaching clinics with table tennis booked out in terms 1 and 2 and badminton filling 75 per cent of places.

**Challenges:**
- Meeting attendance targets and

maintaining course presentation at Morack Public Golf Course given the impact of increased rainfall and unstable weather patterns. The inundation from Dandenong Creek during heavy rain events that impact play on the sixth and seventh hole is of particular concern
- Meeting patron expectations in operating a temporary service at Aqualink Box Hill during the redevelopment
- Due to the increased Aqualink Box Hill patronage, Aqualink Nunawading is experiencing difficulty in meeting parking demand during peak periods
- Managing tenant expectations at Nunawading Community Centre with an ageing facility and limited space availability during peak times
- Maximum stadium court usage at Sportlink Vermont in terms of flexibility of use.

**Moving Forward:**
- Service delivery planning will commence in anticipation of the expected completion of the Aqualink Box Hill Redevelopment in December 2013
- A design solution will be sought with the aim of reducing the impact of flooding from Dandenong Creek on the sixth and seventh holes at Morack Public Golf Course
- Improvements to drainage and internal pathways at Morack Public Golf Course as part of the Capital Works program
- With the cleaning contract at Aqualink Nunawading requiring re-tendering in 2012/13, it will be critical to engage the right contractor to ensure high cleaning standards are maintained
- Investigate the viability of extended operating hours at Sportlink Vermont South on Saturday evenings to meet increased demands for court hire on weekend
- Introduction of a new booking policy at Sportlink Vermont South to streamline the booking process and ensure major event and tournament bookings are managed effectively.

# HUMAN SERVICES

## Parks Planning and Recreation Unit

The Parks Planning and Recreation Unit primarily facilitates the planning and policy for parks, open space and recreation resources throughout Whitehorse. This includes the administration and facilitation of Whitehorse Parkland Advisory Committees and the support for sport and recreation clubs through provision of recreational facilities and club development seminars.

Whitehorse has a significant and diverse physical heritage that includes bushland, waterways, regional parks and gardens. There are approximately 335 Open Space areas in Whitehorse (690 hectares), which represents approximately 10.7 per cent of the municipality. Approximately 590 hectares of this land is owned and managed by Council. Contained within these areas are 60 sports fields, 169 playgrounds and about 30 kilometres of off-road trails.

The community recognises that participation in recreational or leisure pursuits is an important element of a healthy lifestyle. Residents are fortunate to have access to a diverse range of leisure opportunities, covering a broad spectrum of active and passive recreation.

**Highlights for 2011/12:**
- Completed community consultation phase to develop a draft strategy for public comment as part of the *Whitehorse Recreation Strategy* review
- Completed a scout and girl guides survey and facility inspection as part of the development of a *Scouts and Girl Guides Strategic Plan*
- Completed community consultation phase to develop a draft *Get Active in Parks Study for* public comment
- Conducted community consultation on the draft *Mont Albert Reserve Concept*

*Plan*

- Completed the design for the multipurpose area and circuit pathway in Box Hill Gardens
- Completed the *Billabong Park Pavilion Design* and works commenced on upgrade
- Completed the *Springfield Park Pavilion Design* and works commenced on pavilion redevelopment
- Completed Box Hill Gardens Stormwater Harvesting project
- Commenced the *Synthetic Sport Surface Strategy*
- Acquisition of new open space in gap area identified in *Whitehorse Open Space Strategy*
- Successful events held including the Whitehorse Sports Awards, Parkland Community Forum and South Eastern Skateboard League 2012 series.

**Challenges:**

- Managing the sustainability of open spaces and use of sports fields under challenging weather conditions and increase in general use and club participation across a number of sports
- The increased demand for school use of Council owned sporting ovals due to the loss of open space at school sites
- Working with other government agencies to develop bicycle routes along their assets
- Working on meeting the aims of the *Whitehorse Open Space Strategy,* in particular new open spaces.

**Moving Forward:**

- Continued implementation of the *Box Hill Gardens Master Plan*
- Complete the review of the *Recreation Strategy*
- Complete the *Get Active in Parks* study
- Complete upgrade works to the pavilion at Billabong Park and Springfield Park
- Complete the *Synthetic Sport Surface Strategy*.

# HUMAN SERVICES

## Community Development Department

The Community Development Department provides a range of initiatives to improve the wellbeing, social connectedness, capacity and strength of the Whitehorse community. Examples of work includes social research, community profiling, policy development, strategic planning, capacity building, community strengthening, health promotion, and specific projects with an emphasis on working in partnership with local services and organisations to develop the community.

Key areas of focus include: the *Community Wellbeing Plan*, the *Disability Policy and Action Plan*, the *Diversity Policy and Action Plan*, the *Reconciliation Policy and Action Plan*, the *Volunteer and Civic Participation Strategy*, affordable housing, responsible gambling, community grants, Neighbourhood and Community Houses, Whitehorse Emergency Relief Network, Senior Citizens Centre, drug and alcohol issues, working with people with a disability and disability service providers, coordination of volunteers, Indigenous reconciliation, working with diverse and multicultural communities, community hubs and community safety.

**Highlights of 2011/12:**

- Completion and official opening of the Whitehorse Community Resource Centre (Forest Hill)
- The joint MetroAccess, Scope and Eastern Recreation Leisure Services (ERLS), Festival of Sport project.
- Deliver the Whitehorse Volunteer Expo in partnership with the Eastern Volunteers
- Development of the *Whitehorse Volunteers Booklet*
- Development of the Whitehorse Human Library
- The inaugural Whitehorse Men's Health Expo.

- Coordinating a number of successful and highly attended community events – Seniors Festival, Global Fiesta, Volunteer Recognition function, Interfaith forums, Women's forums, Sorry Day flag raising ceremony
- Administration of the Whitehorse Community Grants program and the successful funding of many local services and agencies, with the aim of delivering locally relevant and responsive initiatives
- Resources and support provided to the Whitehorse Disability Advisory Committee and the Whitehorse Reconciliation Advisory Committee.
- Resources and support provided to the Interfaith Network
- The implementation of the *Whitehorse Community Wellbeing Plan*, the *Whitehorse Disability Policy and Action Plan* and the *Whitehorse Diversity Policy and Action Plan*
- The City of Whitehorse Scholarships – two scholarships are available for students living in Whitehorse and in their first year of tertiary study at either Box Hill Institute of TAFE or Deakin University
- Redevelopment of the *Whitehorse Disability Policy and Action Plan* and the *Whitehorse Diversity Policy and Action Plan*
- Coordinated a Family Violence initiative across Council
- Developed the *Whitehorse Positive Ageing Strategy* in partnership with the Department of Planning and Community Development.

**Challenges:**

- Further strengthening collaborative working relationships across the municipality
- Continue to actively engage with the local community to build capacity, strengthen the community and work towards inclusion and enhancing health and wellbeing outcomes
- The broader promotion of the Whitehorse scholarship program to the Whitehorse community
- The acquisition of the Mitcham Senior Citizens Centre for the VicRoads rail grade separation project at Mitcham.

**Moving Forward:**

- Development of the new *Whitehorse Community Health and Wellbeing Plan*
- Implementation of the *Whitehorse Reconciliation Plan*, the *Whitehorse Disability Policy and Action Plan* and the *Whitehorse Diversity Policy and Action Plan* and a number of key strategic policies and plans
- The September Whitehorse Women's Forum
- Community Safety month in October 2012
- Working with the Committee of Management at Mitcham Senior Citizens Centre to find alternative accommodation
- Development of a community engagement framework for Whitehorse.

# HUMAN SERVICES

## Health and Family Services Department

The Health and Family Services Department provides social support services to children, youth and families as well as public health services to all residents in the city. Services include the provision of 270 centre-based and 170 family day-care based childcare places for the community, and six maternal and child health family centres that cater for almost 7000 families per year.

The department provides youth support programs that attract more than 3000 young people, ten monthly immunisation clinics and a number of health protection services including food safety and communicable disease management of businesses.

The department also manages Council's Municipal Emergency Management – Recovery responsibilities.

**Highlights for 2011/12:**

- Successful collaboration with partner organisations to deliver key strategies contained in the *Whitehorse Municipal*

*Youth Plan* and the *Whitehorse Municipal Early Years Plan*

- Whitehorse family day-care and centre based care and education programs commenced implementing the new *National Quality Frameworks* and have completed their *Quality Improvement Plans*
- The Whitehorse Youth Representative Committee (WYRC) coordinated and successfully facilitated the youth stage at Spring Festival in October 2011
- Attendance by people at Council's Youth ConneXions (youth support) centre has increased over the year with 5242 young people attending the centre
- Councils Inclusion Support Facilitators provided outstanding support for more than 113 federal government funded childcare services over the past year. This support enabled more than 209 families with special needs children in the community to be able to participate in these important community support programs
- Council's Environmental Health Team carried out more than 1600 food safety assessments across 930 food premises during the year. This included around 800 food businesses assessed as part of Council's *5 Star Hygiene Rating* systems
- Training of more than 20 Council staff in additional responsibilities related to Municipal Emergency Management Recovery functions.

**Challenges:**

- Implementation of the remaining actions of the *Young Peoples and Early Years Strategy Plans* whilst commencing the consultative phase for the next iterations of both strategic plans
- Continue to implement a broad range of youth specific support programs to engage young people and ensure service delivery and programs meet their needs
- implementation of the *National Quality Frameworks* including changes to child care ratios will continue to add additional costs to childcare services as the new requirements are introduced over the coming years
- The state and federal government's universal access program for 4 year old kindergarten programs continues to provide challenges for kindergarten communities. Kindergartens are required to move to 15 hours per week of kindergarten per child by 2013
- Implementation of mobile data collection for Council's Food Safety Program in 2012/13
- The number of families with very complex needs has increased so providing a timely responsive service to these families continues to be challenging
- Managing the provision of quality Early Childhood Support services from the Mitcham Family Centre during the Mitcham Road Rail Grade Separation and upgrade.

**Moving Forward:**

- Assisting a diverse pool of Whitehorse family day care educators in understanding and meeting the increased education and care standards
- Use of social media to engage and provide information to young people who would otherwise not have access to such information
- Continue to promote Youth ConneXions to young people across the municipality through outreach based work and distribution of new youth cards
- Continued implementation of the *National Quality Framework* to improve the quality of childcare and education outcomes. This includes further staffing changes in 2014 and 2016
- Ongoing implementation of the actions and goals identified in the *Municipal Youth Plan* and *Municipal Early Years Plan*
- Further implementation of state food safety reforms which will include the implementation of a new state-wide database (Streatrader) for the management of temporary and mobile food premises.

# HUMAN SERVICES

## Home and Community Care Department

The Home and Community Care Department provides a range of in-home and community based services for frail, vulnerable and isolated older people, people with a disability and their primary carers. Services include home care, personal care, respite support, home maintenance, assisted transport, food services and social support programs.

Approximately 4200 residents access Council's range of support services to assist them to remain living independently and to participate in community life.

The department is funded to provide 90 Community Aged Care Packages (CACPs) which provides clients with complex needs with individually tailored packages of aged care services.

The department also manages and provides support to residents at Council's Gowanlea Independent Living Units and Combarton Street Rooming Houses.

**Highlights for 2011/12:**

- Successful implementation of the Community Transport program to meet the demand and need for client transportation
- Completed service specific care plans for all social support clients
- Completion of staff training in manual handling and wellbeing
- Ensured all staff with client contact completed CPR and first aid training
- Successfully reduced waitlists for assessment for clients in the community
- Implemented recommendations to successfully meet the increasing needs of clients requiring support from the community transport program
- Completing service specific care plans for all social support clients
- Implementation of a pool of staff into the Food Services and Social Supports programs to provide adequate cover when staff are on leave
- Implementation of the Men's Shed program at Mountain View Cottage
- Extended client shopping and movie trips.

**Challenges:**

- Ongoing recruitment and retention of General Home Care Staff and Assessment Staff
- Further implementation of Active Service Model and goal directed care planning and the impact on service delivery targets
- Increasing client utilisation of planned activity.

## Library Services (Whitehorse Manningham Libraries)

Public libraries support community knowledge, connection and engagement. The Whitehorse Manningham Libraries provide services and programs that offer opportunities for the community to access and share ideas, learning, information and stories. Our libraries are welcoming and inclusive community spaces that are well used and accessible to all members of our diverse community.

Library services in Whitehorse are provided by the Whitehorse Manningham Regional Library Corporation with branch libraries located in Blackburn, Box Hill, Nunawading and Vermont South. Access to library services are also available at www.wml.vic.gov.au as well as an Outreach Service provided for housebound residents.

**Highlights for 2011/12:**

- Nunawading Library hosted the launch of the National Year of Reading
- Nunawading Library hosted the launch of the Artists and Writers Festival
- The launch of the library's facebook page to promote library events and readings

- The introduction of the *freegal music* which provides free MP3 downloads for members via the library website at the Nunawading Library
- The Nunawading Library hosted the Whitehorse Human Library event.

**Challenges:**

- Balancing the differences in community expectations for a traditional library service with an increased demand for an online library service.

**Moving Forward:**

- Continued events to promote the National Year of Reading including the One Book Two Cities program where members of the Whitehorse and Manningham communities are encouraged to read *Well Done, Those Men* by Barry Heard, attend a talk by the author and participate in a book discussion group.

# INFRASTRUCTURE

## Capital Works Department

The Capital Works Department has four areas of responsibility:

- Planning and management oversight of Council's Capital Works Program
- Project management of building capital works
- Maintenance of Council buildings
- Development and implementation of Council's *Asset Management Strategy*.

The existing five year Capital Works Program was reviewed as part of the annual Budget development process and continues to provide valuable forward planning guidance across Council's major asset groups of roads, footpaths, drains, parks and buildings. In accordance with Council's *Asset Management Policy*, funding priority is allocated to renewal and refurbishment projects to ensure Council's assets continue to provide an acceptable and safe level to the community.

**Highlights of 2011/12:**

- Met Business Plan targets by delivering 92% ($31.4 million) of the value of the Capital Works Program and completed 188 (93%) capital works projects
- Project managed capital building and renewal works totalling $5.9 million. Commenced multi-million dollar sports pavilion upgrade projects at Springfield Park and Billabong Park
- Completed a climate change risk adaptation study for Council facilities.
- Successfully applied for a $1.6 million Commonwealth Government grant for the refurbishment of Nunawading Library
- Coordinated the establishment of higher quality asset registers for buildings, plant and fleet and IT assets. Commenced planning for the implementation of Works Management for Council's Asset Management System
- Led the development of an *Asset Management Strategy* to support the implementation of Council's *Asset Management Policy*
- Finalised Essential Safety Measures Annual Reports for all of Council's primary buildings.

**Challenges:**

- Implementing Council's *Asset Management Strategy* across the organisation
- Completing all projects in Council's annual Capital Works Program
- Commissioning of Works Management in Council's *Whitehorse Asset Management System* (WAMS)
- Introducing service level linked asset management plans for all key asset classes
- Establishing competitively tested annual maintenance practices for access control, CCTV security systems and pest control services
- Introducing compliant Essential Safety Measure inspections, testing and maintenance regimes for all non-Council owned buildings located on Council land.

**Moving Forward:**

- Improving the quality of Council's asset register and condition assessment procedures across all departments
- Developing high functioning asset management plans for all asset classes to enhance the confidence level of capital investment decision making
- Establishing improved evaluation and shared learning techniques to raise staff competency with asset management
- Implementing the *Climate Change Adaption Study* recommendations to future proof Council buildings against climate change impacts
- Continued emphasis on skill development and staff training particularly relating to sustainability, project management and financial competency.

# INFRASTRUCTURE

## City Works

The City Works Department is responsible for coordinating and managing construction and maintenance works for Whitehorse's 700 kilometres of sealed road, 1400 kilometres of footpath, 800 kilometres of underground drains, 34,000 drainage pits and 72 shopping centres. Other services provided by City Works include graffiti removal, signage repair and replacement, street furniture repair, pavement line marking, street sweeping, litter bin waste collection, cleaning of public barbeques and toilets, clearing constructed laneways and removal of dumped rubbish.

City Works also operate and maintain the commercial operations store, carry out workshop repairs and maintenance of small plant and equipment, and also coordinate fleet and vehicle replacement.

**Highlights for 2011/12:**

- Awarded outstanding performance results in the *MAV Liability Mutual Insurance* audit for all services delivered by City Works
- Delivery of the $1.73m footpath renewal Capital Works Program on time and within Budget
- Restructure of the Township Cleansing Program for time efficiencies and enhanced service delivery, focusing on quality cleansing services, proactive cleansing and litter removal to improve the appearance of the municipality
- Awarding of a new seven year Street Sweeping contract to City Wide, incorporating arterial road centre median sweeping along Springvale Road, Canterbury Road and Blackburn Road for enhanced services
- Successful management of the Heavy Leaf Street Sweeping Program with a total of 858 tonnes of litter was removed from 135 heavy leaf streets
- Successful management and delivery of the stormwater drainage maintenance program, including the Drainage Pit Replacement Program. Delivery of the program has reduced the incidence and potential of inundation of roads and private property
- Procurement of a new drainage maintenance high pressure jet truck and rear easement reel. The new unit replaces the old unit and provides recent technological improvements
- Implementation of operational and facility improvements for Council's workshop in alignment with the best value review
- Recipient of the *Corrections Victoria Community Work Partnership Award 2010* for Council's Graffiti Removal Program. Council partnered with the Community Correctional Services Directorate for this project
- Strengthening relationships between the Nunawading branch of the Victorian State Emergency Services (VicSES) unit and Council staff.

**Challenges:**

- To efficiently and effectively respond to significant weather events such as flooding and wind storms that typically give limited time for planning and response
- To continue to deliver high quality maintenance services and programs on time and within Budget, given the environmental challenges of climate change impacting various assets and increasing demands
- Audit and monitor contractor performance and work standards for continuous high quality service delivery, including footpath maintenance and renewal works, asphalt works, drainage repairs, line marking, public barbeque and toilet cleaning, street sweeping services and street litter bin collection
- Management of the Graffiti Removal program incorporating graffiti removal services for Council buildings and facilities into the existing program
- Fill all vacant positions with permanent full time staff.

**Moving Forward:**

- Responsible asset management and maintenance to ensure that Council's

assets are accessible and safe for use by the community and that they provide the accepted level of service, in accordance with Council's *Asset Management Strategy* and *Asset Management Policy*

- To comply with the new *Worksafe Framework for* conducting work near overhead and underground assets. To develop and implement procedures for safe systems of work when works are performed near overhead power lines
- To effectively manage the Graffiti Removal Program across the municipality. To promptly respond to graffiti removal works from Council's infrastructure, parks, reserves and property reducing the recurrence and spread of graffiti in the municipality
- Improve recycling content collected at the Commercial Operations depot, by improving the sorting of material and designated facilities for recycling
- Deliver routine and programmed maintenance works in accordance with the prescribed standards of maintenance applicable to local roads and pathways within the appropriate frequencies of inspection and relevant timeframes of Council's *Road Management Plan*
- Development of real time auditing software to be used in the field when inspecting, auditing and monitoring the condition of various infrastructure assets. The new auditing system is proposed to be integrated with Council's *Asset Management System.*

# INFRASTRUCTURE

## ParksWide

Whitehorse City Council has more than 690 hectares of open space including bushland reserves, parks, gardens, recreation reserves and trails, combined with tree lined residential streetscapes to form a pleasant urban environment. Council's ParksWide team provides maintenance of these extensive park and horticulture assets in close collaboration with the Whitehorse Parkland Advisory Committees.

Major activity conducted includes maintenance and enhancement of remnant bushland reserves, management and maintenance of street and park trees, general parks and gardens maintenance and horticultural services.

ParksWide manages Council's nursery, maintains and manages Council's sports fields including the Box Hill City Oval and Wembley Park as well as maintaining playgrounds and other items of open space infrastructure.

**Highlights for 2011/12:**

- The 2011/12 fire danger season was successfully managed with no major issues
- The *Blackburn Lake Sanctuary Fire Management Plan* review was completed in January 2012. Key actions arising included the physical removal of middle storey fuel and a mosaic burn. The burn was successfully conducted on 2 April 2012
- The National Tree Day event was held at Lundgren Chain Reserve in Burwood in July 2011. A huge success, the event attracted over 60 participants from the community who planted more than 4000 local indigenous plants and 80 trees in conjunction with ParksWide staff
- The ParksWide marquee display at Spring Festival 2011 was constructed by the Landscape team and apprentices using local indigenous stock grown at the ParksWide nursery. The marquee focused on bushland parks and was developed in conjunction with the Whitehorse Parkland Advisory Committees. 2000 local indigenous plants were given away to residents who visited the marquee
- In November 2011 the ParksWide Nursery was awarded the prestigious *Best Government Nursery Victoria* award for the second consecutive year. This award recognises the

ParksWide Nursery as an industry leader producing quality plants to best practice principles
- Continuation of the *Sustainable Drought Management Plan* for sports fields with the installation of drought tolerant warm season grasses at Kalang Park, Heatherdale West Surrey Park South East, Elgar Park North West and Bill Sewart Athletic Track infield
- A major capital landscape upgrade in the Whitehorse Road centre median strip in Box Hill. Works included the installation of new garden beds and turf and upgrade of existing garden beds. Over 1200 plants were planted as part of the upgrade, improving the green amenity of the area
- Development of the *Myrtle Rust Management Plan* to monitor and mitigate bio-security risks associated with Myrtle Rust disease which arrived in Victoria in January 2012
- Design and construction of the multi-award winning exhibit *Home Life* at the Melbourne International Flower and Garden Show.

**Challenges:**
- The implementation of management plans and processes to minimise the impact of Myrtle Rust Fungus on Council's bushland parks
- Managing and maintaining Council's open space and bushland path network in a safe condition. The increasing frequency and intensity of storms has resulted in erosion problems on areas of the path network. These erosion problems are being treated with sustainable materials such as concrete or stabilised gravel
- The impact of the 2010 Essential Services Victoria (ESV), Powerline Clearance Regulations on street trees in the city.
- Continuing to manage the increasing demand on Council sports fields
- Manage the impact of changing climatic conditions on open space assets through the modification of maintenance programs, reviews of landscape design principles and the development and training of staff.

**Moving Forward:**
- Continue to review and implement operational processes including works programming, recording and monitoring systems to ensure best practice maintenance is aligned with WAMS requirements
- Trial the use of traffic management companies to ensure the safety of ParksWide when working on main roads
- Further develop the role of the Blackburn Lake Sanctuary Education Officer to enhance the delivery of environmental education programs to community and school groups
- Conducted a review of the department's service delivery model to ensure best practice processes are in place
- Develop, train and mentor the department's apprentices and trainees
- Develop a field based electronic data capture system linked to Council's GIS and WAMS.

# INFRASTRUCTURE

## Recycling and Waste Centre

One of Melbourne's busiest waste transfer centres, the Whitehorse Recycling and Waste Centre has serviced local residents and the commercial sector since 1981. The centre is located on the former Nunawading landfill site at 636-640 Burwood Highway, Vermont South. The site incorporates a skate park facility, the Nunawading District Motor Cross Club and bushland walking trails that include a lookout.

The Recycling and Waste Centre services all Whitehorse residents as well as commercial customers. Council places a major emphasis on educating the community on the importance of recycling and diverting waste from landfill.

**Highlights for 2012/13:**

- The Whitehorse Waste and Recycling Centre sent 34,037.44 tonnes to landfill after receiving 71,765.29 tonnes to the site
- Processed over 17,000 tonnes of green waste and timber which was recycled and effectively diverted from landfill
- Recycling facilities for used cooking with 4100 litres collected since its commencement
- Signing a new contract with Metropolitan Waste Management Group and Wyndham City Council to bulk haul waste to the Werribee landfill site
- Purchase of a new prime mover and the refurbishment of 2 prime mover trailers with full remote control operation and cameras
- Successfully retained self-auditing of the *National Heavy Vehicle Accreditation Scheme* for mass management for another two years
- Reviewed and updated the monthly *Job Safety Audit* for the Whitehorse Recycling and Waste Centre, including ensuring all contractors comply with safe work practices
- Development of the *Landfill Aftercare Management Plan* for the former Nunawading landfill site
- All staff at the Waste and Recycling Centre completed 60% of their *Australian Certificate IV in Asset Management* (Waste Management). The training started in November 2011 and will take 15 months to complete
- Successfully sought funding from Sustainability Victoria for the collection and recycling polystyrene. Funding from the Sustainability Victoria *Driving Investment for New Recycling* fund will cover the cost of infrastructure and collection for a 12 month period.

**Challenges:**

- The impact of the Waste and Recycling Centre's gate fees with the continuing increase of the state government's landfill levy and the carbon price
- Accommodating for the increasing demand for services provided by the Whitehorse Recycling and Waste Centre
- To continue to deliver high quality service and minimise queuing times during peak periods and weekends
- To find sustainable markets for recyclable materials such as e-waste and plastic
- Successfully educate and encourage the community on the importance of recycling for the future
- To keep staff informed with updates to waste and road transport industry and legislation.

**Moving Forward:**

- To continually improve the diversion rate of recyclables out of the waste stream and stop recyclable material finding its way to landfill
- Keep staff trained and informed on the latest waste and transport practices and legislation.

SECTION FOUR

# Governance

## Good Governance

Good governance is a vital part of local government and being accountable to the community. Good governance is identified in the *Council Plan 2011-2015*, reflecting Council's commitment to open and transparent government, acting with integrity and compassion and maintaining the highest level of good management.

Good governance provides residents with the confidence to know that their rates are being used wisely and that their democratically elected Councillors are making decisions based on proper processes and systems.
Whitehorse City Council holds Ordinary and Special Council Meetings where Councillors, acting together to form Council, debate issues in a public forum and make decisions called 'resolutions'. Council officers then carry out these decisions.

During 2011/12, Council held 12 Ordinary Council Meetings and 11 Special Committee Meetings.

The following is a list of Councillor attendance at each of these meetings.

**2011/12 Council Meetings**

| Date | Type of Meeting | Councillor Attendance |
|---|---|---|
| 11 July 2011 | Special Committee | Cr Koutras*, Cr Lane* |
| 18 July 2011 | Council Meeting | All present |
| 8 August 2011 | Special Committee | Cr Koutras* |
| 15 August 2011 | Council Meeting | All present |
| 12 September 2011 | Special Committee | Cr Ellis*, Cr Daw*, Cr Koutras* |
| 19 September 2011 | Council Meeting | Cr Koutras* |
| 10 October 2011 | Special Committee | All present |
| 17 October 2011 | Council Meeting | Cr Chong* |
| 14 November 2011 | Special Committee | All present |
| 21 November 2011 | Council Meeting | All present |
| 5 December 2011 | Special Statutory Meeting to elect Mayor | All present |
| 12 December 2011 | Council Meeting | Cr Munroe* |
| 23 January 2012 | Council Meeting | Cr Koutras* |
| 13 February 2012 | Special Committee | All present |
| 20 February 2012 | Council Meeting | Cr Harris* |
| 13 March 2012 | Special Committee | All present |
| 19 March 2012 | Council Meeting | Cr Koutras* |
| 10 April 2012 | Special Committee | All present |
| 16 April 2012 | Council Meeting | All present |
| 21 May 2012 | Special Committee | Cr Koutras*, Cr Munroe* |
| 28 May 2012 | Council Meeting | All present |
| 12 June 2012 | Special Committee Meeting – to consider Annual Budget Submissions | Cr Munroe* |
| 25 June 2012 | Special Committee | Cr Carr* |

** Name of Councillor/s not present at the meeting*

| Strategic Objective | Activity | Indicator | Target | Target Achieved | Activity Explanation |
|---|---|---|---|---|---|
| **Serve and strengthen our diverse community to be inclusive, vibrant and engaged.** | Review and development of *2012/15 Whitehorse Healthy Ageing Plan.* | Establishment of Steering Committee and Consultation Plan. Conduct 4 consultation workshops. | June 2012 | **Achieved** | |
| | | Draft Strategic Plan adopted by Council. | June 2012 | **Achieved** | Draft Plan adopted by Council June 2012. |
| | Review and development of *2012/15 Whitehorse Diversity and Action Plan.* | Establishment of Steering Committee and Consultation Plan. Conduct 4 consultation workshops. | Feb 2012 | **Achieved** | |
| | | Draft Strategic Plan adopted by Council. | April 2012 | **Achieved after target date** | Councillors briefed on draft plan for statutory consultation in May 2012. Statutory consultation conducted in June 2012. Draft plan adopted by Council in August 2012. |
| | Review and development of *2012/15 Whitehorse Disability Policy and Action Plan.* | Establishment of Steering Committee and Consultation Plan. Conduct 4 consultation workshops. | June 2012 | **Achieved** | |
| | | Draft Strategic Plan adopted by Council. | June 2012 | **Achieved** | Draft Plan adopted by Council June 2012. |
| | Complete the *Whitehorse Arts and Cultural Strategy.* | Draft Strategic Plan adopted by Council. | April 2012 | **Not achieved** | In progress. Draft Strategy being developed for review. *Whitehorse Centre Feasibility Study* has taken precedence hence the delay |

| Strategic Objective | Activity | Indicator | Target | Target Achieved | Activity Explanation |
|---|---|---|---|---|---|
| | | | | | in its completion. Status Report to be presented to Council in October 2012. |
| | Undertake review of *Whitehorse Recreation Strategy*. | Draft Strategic Plan adopted by Council. | June 2012 | **Not achieved** | In progress. Draft Strategy being finalised for review by Executive Management Team in Nov 2012. |
| **Promote, protect, enhance and respect the quality of our natural and built environments.** | Aqualink Box Hill Redevelopment. | Building contract awarded and works commenced. | June 2012 | **Achieved** | Cockram Construction appointed to undertake building works. |
| | Position Paper on need for a Biodiversity Strategy. | Position Paper approved by Executive Management Team. | February 2012 | **Not achieved** | Draft position paper presented to Executive Management Team in June 2012. Item was deferred to enable additional internal consultation. |
| | Springfield Reserve Sports Facility Redevelopment. | Building contract awarded. | May 2012 | **Achieved** | Contract awarded to Johns Lyng Commercial Builders Pty Ltd at the January Ordinary Council meeting. |
| | Whitehorse Asset Management System (WAMS). | Commissioning part of Works Management System in WAMS. | May 2012 | **Not Achieved** | In progress. Specification completed. The revised completion date for this target is May 2013. |
| | Implementation of Nunawading (Station Street) Improvements (Stage 1 of 2). | Stage 1 works completed. | June 2012 | **Achieved** | |

| Strategic Objective | Activity | Indicator | Target | Target Achieved | Activity Explanation |
|---|---|---|---|---|---|
| | Box Hill CAA Urban Improvements (Stage 1 of 2). | Stage 1 works completed. | June 2012 | **Achieved** | |
| | Implementation of Stage 2 of *Whitehorse Planning Scheme Review.* | Planning Scheme Amendment approved by Council. | June 2012 | **Achieved** | Adopted by Council in December 2011. |
| | Preparation of *Urban Design Guidelines* under the *Tally Ho Urban Design Framework.* | Completion of Guidelines. | June 2012 | **Achieved after target date** | In progress. Project was delayed as a result of the state government withdrawing funding commitments for expert assistance. Urban Design Guidelines completed in August 2012. |
| **Deliver organisational excellence, visionary leadership and strong governance, through dedicated people, to ensure the best possible contribution to our community.** | Staff engagement and satisfaction. | An employee retention rate.<br><br>Employee satisfaction rate. | 85-90%<br><br>80% | **Achieved**<br><br>**Achieved** | 87.5% retention.<br><br>87% satisfaction. |
| | Leadership Development. | Leadership development program for 4th level supervisors conducted. | June 2012 | **Achieved** | Program completed. |
| | HR Systems enhancement. | Systems in place for automation of OHS, WorkCover, Recruitment & | June 2012 | **Achieved** | Recruitment, LMS, OHS & WorkCover systems implementation in place. Minor modifications still required OHS system. |

| Strategic Objective | Activity | Indicator | Target | Target Achieved | Activity Explanation |
|---|---|---|---|---|---|
| | | Learning management. | | | |
| | *GIS Strategy* (Year 3). | Year 3 objectives completed. | June 2012 | **Not achieved** | 60% of year 3 actions completed. GIS upgrade (WEAVE) component commenced in March 2012 with revised completion date of May 2013 due to change in project scope. |
| | Community Survey. | Maintain high levels of community satisfaction. | June 2012 | **Achieved** | November 2011 Council's overall performance satisfactory – 92%. This is the eleventh year in a row showing an overall satisfaction result of 90% or better. |
| | *IT Strategy Review.* | Review completed. | June 2012 | **Not achieved** | Project scope changed by IT Steering Committee to include a core applications review and mobile device strategy. |
| | CARES Program. | Ongoing rollout of program | June 2012 | **Achieved** | CARES fully integrated into Corporate Induction Program. Department Service Standards adopted. |
| | Election Strategy to increase the awareness and participation/ representation of women candidates. | Awareness campaign completed. | June 2012 | **Achieved** | Women in Community Leadership program successfully held on 28 April and 5 May 2012. |
| **Support a prosperous, diverse and healthy local economy that contributes to the wellbeing of our community.** | Development of a Box Hill Central Activities Area prospectus to attract commercial investment. | Distribution of prospectus to stakeholders and commercial agents. | March 2012 | **Achieved after target date** | Prospectus launched April 2012. |

## CERTIFICATION OF PERFORMANCE STATEMENT

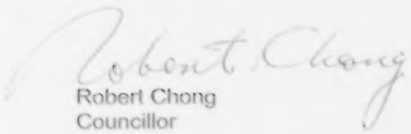
In our opinion, the accompanying performance statement of the Whitehorse City Council in respect of the 2011/12 financial year is presented fairly in accordance with the Local Government Act 1989.

The statement outlines the performance targets and measures set out in relation to the achievement of the Key Strategic Activities in respect of that year described in Council's 2011/12 Annual Budget and describes the extent to which the activities have been met in that year having regard to those targets and measures.

At the time of signing, we are not aware of any circumstance, which would render any particular in the statement to be misleading or inaccurate.

Ben Stennett
Councillor

Dated: 10 September 2012
Nunawading



Robert Chong
Councillor

Dated: 10 September 2012
Nunawading

Chief Executive Officer
Noelene Duff

Dated: 10 September 2012
Nunawading

VAGO

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# INDEPENDENT AUDITOR'S REPORT

**To the Councillors, Whitehorse City Council**

*The Performance Statement*

The accompanying performance statement for the year ended 30 June 2012 of the Whitehorse City Council which comprises the statement, the related notes and the certification of performance statement has been audited.

*The Councillors' Responsibility for the Performance Statement*

The Councillors of the Whitehorse City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

## Independent Auditor's Report (continued)

*Auditor's Opinion*

In my opinion, the performance statement of the Whitehorse City Council in respect of the 30 June 2012 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

*Matters Relating to the Electronic Publication of the Audited Performance Statement*

This auditor's report relates to the performance statement of the Whitehorse City Council for the year ended 30 June 2012 included both in the Whitehorse City Council's annual report and on the website. The Councillors of the Whitehorse City Council are responsible for the integrity of the Whitehorse City Council's website. I have not been engaged to report on the integrity of the Whitehorse City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
13 September 2012

D D R Pearson
*Auditor-General*

# Best Value Program

Having completed its five-year program of Best Value Service Reviews in accordance with the requirements of section 208 of the *Local Government Act 1989*, Council now embarks on an ongoing program of review based on a strategic approach. This report provides information on Council's approach to Best Value and on the status and outcome of Best Value Service Reviews carried out in the 2011/12 financial year. Information on Council's approach to Best Value and the timetable for the conduct of the service reviews, is located on Council's website at www.whitehorse.vic.gov.au/Good-Governance.html

Council's Approach to Best Value

Council is required by the *Local Government Act 1989* to comply with the Best Value principles and to this end will take a strategic approach to the application of the Best Value Principles on an ongoing basis. These reviews are expected to take account of the Best Value principles enshrined in Section 208B of the Act, namely:

- The need for services to deliver against agreed quality and cost standards
- Services being responsive to changing community needs
- Accessibility of services to those who need them
- Continuous improvement in the delivery of services
- Community consultation on services and activities
- Regular annual reporting to the community on Council's performance

Further, section 208C of the Act requires Council to take account of these factors when developing its quality and cost standards including:

- The best on offer in the public and private sectors
- Value for money
- Community expectations and values
- Balance of affordability and accessibility.
- Opportunities for local employment growth
- Partnership building with other levels of government
- Environmental sustainability.

Three fundamental principles guide the implementation of Best Value at Whitehorse City Council, namely:

- The Best Value process at Whitehorse City Council is used to ensure that all of the city's services and activities provide high quality and good value for money to the community
- Council is committed to ensuring that, where appropriate, the services being provided by Council staff continue to be delivered internally unless it can be demonstrated that it would be better value to the community for these services to be provided by others
- The Best Value process is implemented in accordance with the Victorian Government's *Competitive Neutrality Policy Victoria 2000*.

Conduct of Best Value Service Reviews

Each Best Value Service Review is conducted by the relevant work team and led by their manager. Managers and teams are supported in this process through the use of a common review template and the provision of a central resource that provides information, advice and training. Service reviews have three distinct stages:

**Stage One**

- Service Analysis
- Describe service
- Describe current service levels

**Stage Two**

- Service Model
- Needs analysis
- Compare service against best on offer in public and private sectors
- Develop draft standards on Service levels, cost and quality
- Community consultation

**Stage Three**

- Advice to Council
- Method for service delivery
- Service provider option
- Risk and impact
- Market maturity
- Council approval of service model.

At the conclusion of each service review, Council receives a report that contains:

- A description of existing service standards and a proposed method of service delivery, with defined service levels and cost and quality standards that have been benchmarked and tested through consultation
- An analysis of the service delivery options available, including an analysis of the maturity of the market, a risk assessment of each option and an assessment against Competitive Neutrality policy
- Advice on the preferred service delivery option.

With the completion of Council's first 5-year program of reviews in June 2004, and in the light of the outcomes of the review of the Best Value Program undertaken for the Victorian Government by the Best Value Commission, Council has reviewed its approach to the conduct of service reviews.
Council has found the service review process beneficial in enabling it to ensure that services meet the changing needs of the community and in providing an opportunity to compare its performance with like services in the public and private sectors. Council will continue to apply the Best Value principles when conducting service reviews and continue to report to the community on the outcomes of its reviews through reports to Council and annual reports on the implementation of Best Value placed on Council's website.

In terms of the development of a program of reviews, Council will take a strategic approach to the conduct of reviews, identifying services for review on the basis of:

- Significance in achieving Council's strategic goals
- Capacity to lead to significant improvement in service delivery
- Changes in community satisfaction with the service
- Changes in community expectations or demands for the service
- Alterations in government policy that have major ramifications for service delivery
- The length of time that has lapsed since the previous review.

**Progress of Service Reviews**
Council has completed its 5-year program of service reviews. In 2006-2007 Council commenced its ongoing program of service reviews, which are currently in progress as listed below:

**Service Completion Date of Review**
Transport Services (Aged and Disability) – Oct 2011-Completed
Whitehorse Art Space – Deferred
All waste services (new Waste Management Plan) – Nov 2011-In Progress
Customer Service Reviews – ongoing
Community Laws – Parking Services – Dec 2011-Completed
Child Care Service – Jun 2013 – in progress.

**Outcome of Completed Service Reviews**
Some of the Best Value Service Reviews commenced in 2011/12 are still in progress and not yet completed. The outcomes of these Service Reviews will be reported in the next Best Value Annual Report for 2012/13.

**Best Value Reporting on Performance**
For the completed Service Reviews, the cost and quality standards are included within the reports and reviewed and approved by Council's audit committee and endorsed by Council at Ordinary Council meetings. The reports and Minutes of the Council meetings are available on the website or contact Council administration on 9262 6338 for assistance in accessing the relevant reports.

# Risk Management

Risk Management is an organised and structured method of identifying, evaluating and treating risks associated with Council's activities, functions and processes. The process seeks to minimise risk and maximise opportunities for Council. Supported and directed by Council's *Risk Management Policy and Strategy*, the process assists the organisation to fulfil its corporate objectives.

The *Risk Management Policy and Strategy* is based on empowering individual departments to document the identification, assessment and treatment of risks using a common standard and technology, underpinned with training and support from the Risk Management Unit. Council has a training program to equip staff with the necessary skills to undertake their responsibilities with respect to Risk Management. A Risk Management newsletter is circulated quarterly highlighting relevant topical issues and advice.

A Risk Management Committee comprising members of the Executive Management Team, support managers and chaired by the Chief Executive Officer monitors the operation of Council's *Risk Management Policy and Strategy*. The committee reports to the Audit Committee. Risk Management is supported by a computer software package to assist departments in recording, rating and monitoring risk across Council. The software package has been enhanced during the year to allow easier input of data and improved reporting.

Council is subject to external monitoring of its risk performance by regular insurer audit reviews.

Both Council's Risk Management practices and *Business Continuity Plan* have been audited by Council's Internal Auditor with recommended improvements being incorporated into the respective documents.

**Liability and Property Audit**

Council's Liability and Property Insurers audits Council's systems and processes to identify, evaluate and control liability risks. Due to significant improvements in Council's commitment to embedding risk management in its planning along with improvements in *Road Management Plan* inspections, Council has improved its state ranking to the top third of Councils in Victoria.

The audit involves site inspections looking at fire prevention, detection, suppression and protection against windstorm and rainwater damage along with security measures.

# Emergency Management

The Victorian *Emergency Management Act 1986* requires that each municipal Council prepare and maintain a *Municipal Emergency Management Plan* (MEMP). Whitehorse City Council's MEMP addresses how to prepare, respond to and recover from emergencies and natural disasters within the municipality. The MEMP was extensively reviewed and updated in 2011 and externally audited in accordance with provisions of the *Emergency Management Act 1986*. Whitehorse is generally a low risk area however storm, flood damage, major transport emergencies or chemical spillage may require an appropriate and prompt response. It is important that the community is aware of how the MEMP operates and what to do in an emergency. The MEMP is a plan for managing municipal resources and coordinating community support and has been developed by the Municipal Emergency Management Planning Committee, which has representatives from a number of emergency services including Police, Metropolitan Fire Brigade, Victorian State Emergency Services, Department of Human Services, medical professions and others. The MEMP recognises the inevitability of the economic and social

effects of emergencies including fatalities, destruction of property and dislocation of individuals and communities.

Under the MEMP, many services can be called in to assist in the management of an emergency, including Ambulance and Fire Services, regional councils, service authorities, Department of Human Services, other state and federal government departments and service organisations such as Australian Red Cross. These organisations all have a specific role to play that depends on the nature of the emergency.

The broad objectives of the MEMP are to:
- Implement measures to prevent or reduce the causes or effects of emergencies
- Manage arrangements for the utilisation and implementation of municipal resources in response to emergencies
- Manage support that may be provided to or from adjoining municipalities
- Assist affected members of the community to recover after an emergency
- Complement other local, regional and state planning arrangements
- Assessing the impact of an emergency.

**Sports, Council and Community Facility Risk Management Support**
Support has been provided during the year with inspections and resultant recommendations provided to various Council departments looking at baseball planning for errant balls, signage for public when matches are being played, and event advice on risk management practices. Support also includes general surface safety, position, design and layout of sporting fields and infrastructure and advice to clubs on sports field activities.

**Audit Advisory Committee**
Council's Audit Advisory Committee receives regular reports on the organisation's Risk Management position and performance. This committee reviews the effectiveness of Council's Risk Management direction and activities and reports to Council on its findings and recommendations for enhancement and improvement.

**Council Meetings**
Council meetings are regulated by *Procedures and Common Seal Local Law No.14*. The purpose of this Local Law is to assist in effective council meetings and community engagement.

*Local Law No. 14* provides for the following:
- To regulate proceedings for the election of the Mayor
- To regulate proceedings of Ordinary and Special Meetings of Council
- To regulate proceedings of Special Committees
- To promote and encourage community participation in the system of local government by providing mechanisms within the meeting arrangements, for Council to ascertain the community's views and expectations
- To regulate and control the use of Council's Common Seal.

## Corporate Information

**Whistleblowers Protection Act 2001**
The *Whistleblowers Protection Act 2001* encourages and facilitates the making of disclosures of improper conduct or detrimental action by public officers and public bodies. The Act provides protection to the person or people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and for rectifying action to be taken.
In accordance with the Act, Council adopted detailed procedures for dealing with any disclosures it may receive. Copies of these procedures are available for inspection at Council's service centres and on Council's website.

As required by Section 104 of the *Whistleblowers Protection Act (2001)*, Council reports that:
- Procedures under Part 6 of the Act to deal with any disclosures made under the Act were established. These procedures are available to the public

- Nil disclosures alleging improper conduct was received during the 2011/12 year
- Nil disclosures were referred to the Ombudsman for determination as to whether it was a public interest disclosure
- Nil matters were referred to Council during the year by the Ombudsman.
- Nil matters were referred during the year by Council to investigate
- Nil investigations of disclosed matters were taken over by the Ombudsman from Council
- Nil requests were made by a person under Section 74 of the Act to the Ombudsman to investigate disclosed matters referred to Council
- One matter regarding improper conduct was disclosed that Council investigated.
- Nil matters were fully investigated and finalised to the satisfaction of the Ombudsman's office
- Nil recommendations were made by the Ombudsman under the Act to Council.

**Freedom of Information**

Since January 1994, Council has been subject to the *Freedom of Information Act 1982* that provides the community with access to documents in the possession of the Council, subject to various exemptions and exceptions. For the period 1 July 2011 to 30 June 2012 there were:

- 20 requests made regarding Freedom of Information
- 5 occasions when part access was granted
- 1 occasion when full access was granted
- 2 occasions when access was denied.
- 1 occasion when no documents were found
- 1 occasion when the document was transferred to another agency
- 10 requests remain in various stages of process at June 2012.

There was 1 request to the Principal Officer for an internal review. There were no appeals to the Victorian Civil and Administrative Tribunal relating to requests processed throughout the year.

The provisions of the Act under which the above decisions were made were:

- Access denied in part – Sections 14 (1)(a), 30(1) (a)(b), 31(1), 32(1), 33(1)(9), 35(1)(a)(b), of the Freedom of Information Act 1982.

The names and designation of the officers with authority to make a decision on a request are A. (Tony) De Fazio, Manager Civic Services and Jenny Russell, Team Leader Governance, Rosemary Sheehan, Acting Team Leader Governance. The Principal Officer is the Chief Executive Officer Noelene Duff.

**Information available for Public Inspection**

In accordance with the *Local Government Act 1989* and the *Local Government (General) Regulations 2004*, the following information is available for inspection during office hours at Whitehorse Civic Centre 379 Whitehorse Road, Nunawading:

- *Annual Report* for each financial year
- *Annual Financial Statements*, including:
  - an *Operating Statement*;
  - a *Statement of financial position*; and
  - notes to the financial statement
- Budget or Revised Budget for the current financial year
- Current copy of the *Council Plan*
- *Local Laws and Orders* for the city.
- Details of allowances fixed for the Mayor and Councillors under Section 7A and 74A of the *Local Government Act 1989*
- Details of the senior officers' total salary packages for the current financial year and the previous year including the gross salary, the amount of the Council of employer contribution to superannuation, the value of any motor vehicle provided by Council and the total value of any other benefits and allowances provided by Council
- Details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of Council staff and the date, destination, purpose and total cost of the overseas or interstate travel

- Names of Council officers who submitted returns of interest during the financial year and the dates the returns were submitted
- Agendas and Minutes of Ordinary and Special Meetings held in the previous 12 months kept under Section 93 of the Act except if the Minutes relate to parts of meetings that have been closed to members of the public under section 89 of the Act
- A list of all Special Committees, established by Council and the purpose for which each committee was established
- A list of all Special Committees established by Council which were abolished or ceased to function during the financial year
- Minutes of meetings of Special Committees established under Section 86 of the Act and held in the previous 12 months except of the Minutes relate to parts of meetings which have been closed to members of the public under Section 89 of the Act
- A register of delegations kept under Section 87,88 and 98 of the Act, including the date on which the last review under section 98(6) took place
- Submissions received in accordance with Section 223 of the Act during the previous 12 months
- Agreements to establish regional libraries under Section 196 of the Act
- Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by Council as lessor or lessee, including the name of the other party to the lease and the terms and value of the lease
- Register of authorised officers appointed under Section 224 of the Act
- A list of donations and grants made by Council during the financial year including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant
- A list of the names of the organisations of which Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by Council
- A list of contracts valued at over $100,000 (or such higher amount as is fixed from time to time under Section 186(5) of the Act.

**Other information**

- The current *Council Plan*, *Strategic Resource Plan*, *Council Budget* and *Annual Report*
- *City of Whitehorse Common Local Law No.1 of 2006* and *Meeting Procedures and Common Seal Local Law No. 14 of 2009*
- The program for the application of *Best Value Principles* together with and quality or cost standards adopted by Council
- The current *Councillor Code of Conduct* approved by the Council
- Councillor expense reimbursement policy
- Election campaign donation returns lodged by candidates at the previous Council election
- The current *Procurement Policy* adopted by Council.

**Further information**

Further information about these documents can be obtained from Jenny Russell, Council's Team Leader Governance.

# Audit Advisory Committee

Council's Audit Advisory Committee receives regular reports on the organisation's risk management position and performance. This committee reviews the effectiveness of Council's risk management direction and activities and reports to Council on its findings and recommendations for enhancement and improvement.

**Audit Advisory Committee 2011/12**

The role of Whitehorse City Council's Audit Advisory Committee is to have an overview of the financial, management and system controls in place to protect

Council's assets. This is not a decision-making forum but performs a review function. On occasions the committee may refer matters to the Council for decision.

**Membership**

The Audit Advisory Committee comprises two appointed Councillors and two independent persons with industry experience. The first independent member and Chairperson for the Audit Advisory Committee is Mr Michael Said, who was appointed in July 2004. Mr Said is also Chairperson of the Audit Committees of both Greater Dandenong and Moorabool Councils and an independent member of both the Whittlesea City Council Audit Committee and the Chisholm Institute of TAFE Audit Committee. The second independent person is Mr Greg Hollyman, who was appointed in June 2011. The Chief Executive Officer is required to be present at the meeting and the General Manager Corporate Services attends each meeting unless advised to the contrary. The internal auditor is invited to each meeting and the external auditor may be invited where appropriate.

**Audit Advisory Committee Members:**

- Chairperson/independent member – Mike Said (appointed July 2004)
- Independent member – Greg Hollyman (appointed June 2011)
- Councillor representative – Cr Ben Stennett
- Councillor representative – Cr Robert Chong OAM.

**Internal Audit**

Through a competitive tendering process, Council appointed PricewaterhouseCoopers (PwC) Chartered Accountants as its internal auditors for a three-year period (July 2009 to June 2012). PricewaterhouseCoopers performed a risk assessment of Council's operations and recommended a three-year audit program to cover these aspects.

The Audit Advisory Committee adopted the internal audit work program for a three-year period and received reports from the internal auditor on these issues.

The Audit Advisory Committee also receives update reports in relation to any previous matters raised by the internal auditors to ensure that these are adequately addressed.

**Internal Auditor**

PricewaterhouseCoopers
Engagement Leader – Lisa Woolmer
Engagement Manager – Maureen Mabiza

**External Audit**

The external auditor is the Victorian Auditor-General who has appointed the accounting firm WHK Horwath to conduct the annual statutory audit.

**AUDIT RISK PLAN REVIEW IN 2011/12**

As part of the *2009 – 12 Audit Risk Plan*, during the year the Audit Advisory Committee received reports on the following:

- 2011/12 Annual Financial statements and Audit Management Letter
- *Fraud Policy* review
- Recycling and Waste Centre review
- *Business Continuity Plan/Disaster Recovery Plan* review
- Fringe Benefits Tax and Superannuation Guarantee Review
- Home and Community Care Review
- IT Penetration testing
- IT Mobile Device security review
- Statutory Planning Review.

**Other reports included Best Value reviews for:**

- Community Care Transport Services
- Parking.

**Council also participated in the following external audits:**

- Local Government Inspectorate Compliance Audit
- Roads to Recovery Pilot Audit.

# Local Laws and Orders

To help maintain the amenity of the municipality and safety of the community, Council administers a series of state government legislation and Council-developed Local Laws and Orders.

The *Community Local Law No. 1 2006* has been designed to address local issues at a local level. These controls put in place will establish minimum community standards in the areas and the protection of Council assets.

Council orders specifically relate to animal management and are in addition to the Local Law requirements.

The Orders, made in accordance with section 26 of the *Domestic Animal Act 1994* establishes a series of standards in the management of control of dogs and cats.

These include:

- *Order No. 3 – Animal Registration*: All cats and dogs to be registered for the first time in the City of Whitehorse must be de sexed with proof of de sexing. The *Domestic Animal Act* section 10B (1) provides exemptions from this requirement in certain circumstances
- *Order No. 4 – Cats to be confined to property at night*: All cats within the City of Whitehorse must be confined to a property from 8pm – 6am either within the dwelling or within a suitable escape proof enclosure
- *Order No. 5 Cats prohibited from designated Council bushland reserves*: Cats are not permitted whether restrained or otherwise from entering any designated Council bushland reserves, designated bushland reserves are nominated within the order
- *Order No. 6 – Animal Control dogs*: Dogs must be under effective control of their owners when in a reserve, municipal place or any public place. This order defines effective control, as well as outlining the owner's obligations in relation to the dog's behaviour whilst on lead and also off lead in Council's designated off lead parks. *This order repeals order No. 2.*

# Membership Grants 2011/12

| Organisation Name | Amount 2011 (excl GST) | Amount 2012 (excl GST) |
|---|---|---|
| Aquatics Recreation Victoria | $1764 | $1718 |
| Association for Children with a Disability | $50 | $50 |
| Australian Japan Society of Victoria | $364 | $364 |
| Australian Performing Arts Centres Association | $464 | $491 |
| Community Child Care | $630 | $660 |
| Council on the Ageing Victoria | $455 | $227 |
| Council on Ageing Victoria | $227 | $227 |
| Dun & Bradstreet | $250 | $250 |
| DX Mail | $4807 | $5023 |
| Early Childhood Australia | $309 | $552 |
| Eastern Affordable Housing Alliance | | $6500 |
| Eastern Alliance for Greenhouse Action | $5909 | $5000 |
| Eastern Transport Coalition | $8182 | $8000 |
| Eco Buy | $2480 | $3250 |
| Family Day Care Australia Limited | | $281 |
| Family Day Care Victoria Incorporated | $676 | $580 |
| Info Public Sector User Forum Inc. | | $1300 |
| ICLEI – Local Government for Sustainability | | $2060 |
| Info Public Sector User Forum Inc | $1300 | $1300 |
| Kindergarten Parents Victoria | $340 | |
| Local Government Finance Professionals | $523 | $523 |
| Local Government Managers Australia | $1150 | $1195 |
| Metropolitan Transport System | $1500 | $1500 |
| Municipal Association of Victoria | $60,299 | $71,074 |
| Municipal Works Officers Association | $250 | $250 |
| Museums Australia | $160 | $160 |
| Our Community | $300 | $300 |
| Parks and Leisure Australia | $396 | $523 |
| Play Australia | | $400 |
| Print Council of Australia Inc. | $350 | |
| Property Council of Australia | $4545 | $4818 |
| Public Galleries Association of Victoria | $500 | $500 |
| Risk Management Institute of Australia | $318 | |
| SAI Global | $354 | $371 |
| School Crossing Victoria | $100 | $150 |
| Sister Cities Australia | $500 | $500 |
| Stormwater Victoria | $400 | $545 |
| TaxEd | $905 | $905 |
| VicSport | $250 | $250 |
| Victorian Association of Performing Arts Centres | $900 | $900 |
| Victorian Local Government Association | $28,200 | $29,600 |
| Volunteering Victoria Inc. | $273 | $273 |
| **Total Membership Grants 2011/12** | **$129,561** | **$151,761** |

# Community Grants 2011/12

| Organisation Name | Amount 2012 (excl GST) |
|---|---|
| Anglicare (Reach Out For Kids Program) | $157,400 |
| Asian Business Association of Whitehorse Inc | $20,000 |
| Australian Institute of Genealogical Studies Inc | $500 |
| Bennettswood District Girl Guides | $475 |
| Bennettswood Neighbourhood House | $25,100 |
| Box Hill Area Toy Libraries | $500 |
| Box Hill Citizen's Advice Bureau | $9315 |
| Box Hill City Archers | $500 |
| Box Hill Historical Society | $992 |
| Box Hill Italian Senior Citizens Club | $330 |
| Box Hill Senior Citizen' Club | $330 |
| Box Hill South Neighbourhood House | $25,100 |
| Buckanbe Park Advisory Committee | $2000 |
| Burwood Neighbourhood House | $25,100 |
| Cambodian Community Welfare Centre Inc. | $550 |
| Circolo Pensionato Italiano – Nunawading | $1200 |
| City of Whitehorse Band | $500 |
| Clota Cottage Neighbourhood House | $25,100 |
| Combined Probus Club of East Burwood | $550 |
| Communities Council on Ethical Issues Inc. | $550 |
| Cypriot Community Eastern Suburbs Elderly Citizens Club | $1200 |
| East Burwood Preschool | $1000 |
| East Victorian Highland Dancing Association | $500 |
| Eastern Access Community Health | $44,300 |
| Eastern Community Legal Centre | $8000 |
| Eastern Emergency Relief Network Inc. | $7762 |
| Eastern Polio Support Group | $550 |
| Eastern Recreation and Leisure Services Inc. | $5120 |
| Eastern Suburbs Permaculture Group | $350 |
| Eastern Volunteer Resource Centre Inc. | $5000 |
| Eley Park Community Association | $35,200 |
| Family Access Network | $5000 |
| Family Access Network | $30,700 |
| Forest Hill Uniting Church Monday Companions | $550 |
| Greek and Cypriot Elderly Citizens Club of Whitehorse and Districts | $550 |
| Greek Elderly Citizens Club of Box Hill | $330 |
| Greek Elderly Citizens Club of Nunawading | $550 |
| Greek Orthodox Community of Box Hill & District Elderly Citizens Club | $1200 |
| Hand Tool Preservation Society | $500 |
| Independent Senior Citizens Club of Nunawading | $1200 |
| Indian Pensioners Club | $1000 |
| Indochinese Elderly in the Eastern Suburbs Inc | $1200 |
| Indra Pre School Inc | $1000 |
| JCI Maroondah | $500 |
| Jing Song Senior Chinese Men's Inc. | $1200 |
| Katrina Pre School | $1000 |
| Kerrimuir Neighbourhood House | $26,355 |
| Koonung Cottage Community House | $25,100 |
| Ladies Probus Club of Blackburn South | $550 |
| Ladies Probus Club of Box Hill South | $550 |
| Lao Australian Welfare Association | $550 |
| Life Activities Club of Whitehorse | $1000 |
| LINC Whitehorse | $720 |

| Organisation Name | Amount 2012 (excl GST) |
|---|---|
| Lions Club of South Vermont | $2000 |
| Little Hippos Playgroup | $500 |
| Louise Multicultural Centre | $22,600 |
| Mang Non Vietnamese Language School Ass. Inc | $500 |
| Maroondah Singers Inc. | $500 |
| Melbourne East Disability Advocacy Inc. | $500 |
| Migrant Information Centre | $3000 |
| Mitcham Community House | $31,100 |
| Mitcham Community House Family Violence Program | $14,500 |
| Mitcham Legacy Widows Club | $330 |
| Monash Link Community Health Inner East Social Inclusion Project | $5000 |
| Mullum Mullum Festival Inc. | $1000 |
| Nadrasca | $1120 |
| NewHope Counselling | $1000 |
| Nieuw Holland Social Club Inc. | $330 |
| Nunawading Hungarian Senior Citizen's Club Inc. | $330 |
| Nunawading Toy Library | $500 |
| Parkside Pre School Centre Inc. | $647 |
| Probus Club of Blackburn Central Inc. | $550 |
| Probus Club of Mitcham Orchards Inc. | $300 |
| Probus Club of Mont Albert Inc. | $550 |
| Rangeview Pre School | $1000 |
| Resident Sporting Grants | $2200 |
| Senior Citizens of the Greek Community of Forest Hill | $1200 |
| St Augustine's Anglican Kindergarten Inc. | $300 |
| St Francis Xavier and St Clares Playgroup | $300 |
| St Francis Xavier Autumn Friendship Club | $330 |
| St John's Ambulance Victoria – Whitehorse Division | $1000 |
| St Peter's Anglican Kindergarten Box Hill Inc. | $500 |
| St. Scholastica's Kindergarten Inc. | $1000 |
| Taiwanese Business Association of Melbourne Inc. | $8000 |
| Taralye Kindergarten | $500 |
| The Avenue Neighbourhood House | $31,100 |
| The Indigenous Literacy Foundation | $800 |
| U3A Nunawading Inc. | $1200 |
| Uniting Care East Burwood Centre | $21,920 |
| Vermont Girl Guides | $575 |
| Vermont South Community House | $31,100 |
| Vermont South Community House Toy Library | $500 |
| Vermont Uniting Gardening Playgroup | $300 |
| Victorian Canary Society | $500 |
| Victorian Hua Xin Chinese Women's Association | $1200 |
| Victorian Multi Ehtnic Slavic Welfare Association | $330 |
| Victorian Womens Trust | $800 |
| Wattle Hill Community Association Inc | $1500 |
| Wesley Mission Victoria, The Arthur Preston Centre | $1000 |
| Whitehorse Bicycle Advisory Committee | $1000 |
| Whitehorse Community Chest Inc. | $11,902 |
| Whitehorse Community Health Service | $6500 |
| Whitehorse Cyclists Inc. | $971 |
| Whitehorse Day Club | $269 |
| Whitehorse Friends of Reconciliation | $6468 |
| Whitehorse Friends of Reconciliation Inc. | $8000 |
| Whitehorse Historical Society Inc. | $1550 |
| Whitehorse Kindergarten and Playgroup | $300 |
| Whitehorse Older Persons Action Group | $1000 |
| Whitehorse Pre School Association | $25,900 |

| Organisation Name | Amount 2012 (excl GST) |
|---|---|
| Whitehorse Showtime | $1300 |
| **Total Cash Grants and Donations 2011/12** | **$767,551** |

# Organisation Discount Support 2011/12

| Organisation Name | Amount 2012 (excl GST) |
|---|---|
| 10/13th Box Hill Scout Group | $400 |
| 1st Mont Albert Scout Group | $150 |
| Aglow Australia | $749 |
| Alkira Centre | $2124 |
| Anglicare Victoria | $98 |
| Arts Nunawading Inc. | $182 |
| Australia Chinese Dancers | $1324 |
| Australian Red Cross | $156 |
| Australian Red Cross – Blackburn Unit | $1595 |
| Australian Rhododendron Society Victoria Branch | $332 |
| Australian Woodturning Exhibition (Whitehorse Woodturners) | $2806 |
| Babirra Music Theatre Inc. | $14,775 |
| Bennettswood Neighbourhood House | $613 |
| Blackburn High School | $929 |
| Bor Community Association of Australia | $1952 |
| Box Hill AA (Alcoholics Anonymous Box Hill Branch) | $1229 |
| Box Hill Art Group | $5051 |
| Box Hill Ballet Association Inc. | $7363 |
| Box Hill Chinese Senior Citizens Club | $2057 |
| Box Hill Choral Society | $1781 |
| Box Hill Citizens Advice Bureau | $83 |
| Box Hill Clayworkers | $3238 |
| Box Hill Community Gardens Inc. | $43 |
| Box Hill Handspinners and Weavers | $4828 |
| Box Hill Historical Society | $287 |
| Box Hill Hospital | $128 |
| Box Hill Horticultural Society and Floral Art Group | $2409 |
| Box Hill Life Drawing Group | $284 |
| Box Hill North Football Club | $393 |
| Box Hill Russian Senior Citizens Club | $2561 |
| Box Hill Senior Tai Chi | $2755 |
| Box Hill South Pre School | $489 |
| Brotherhood Karyas Olympou | $1438 |
| Cake Decorators Association | $118 |
| Cake Decorators Association of VIC Inc. | $236 |
| Cara Inc. | $95 |
| Ceramics Victoria Inc. | $1617 |
| Cerebral Palsy Education Centre Inc. | $2016 |
| Chang Sen Xue Longevity Vic | $394 |
| Chinese Community Social Services Centre Inc. (and Seniors Centre) | $1305 |
| Choral Institute Melbourne (and CHIME choir) | $338 |
| Circolo Penionati Italiani-Nunawading | $7317 |
| City of Whitehorse Band | $1777 |
| Combined Probus Club of Whitehorse | $1053 |
| Compass Care a Program of One Community Care | $500 |
| Contemporary Women Painters | $1697 |
| Cypriot Community Eastern Suburbs Elderly Citizens Club | $6869 |
| Designer Art Shop (known as Alcove Art) | $529 |

| Organisation Name | 2012 (excl. GST) |
|---|---|
| Doncare | $750 |
| Doncaster School of Physical Culture | $876 |
| Dru Ferdinands Fundraising Committee | $1804 |
| Eastern & Mountain District Radio Club Inc. | $1273 |
| Eastern Districts Aquarium Society | $1578 |
| Eastern Emergency Relief Network | $2600 |
| Eastern Suburbs Scale Modelling Club | $447 |
| Eastmont Pre-School Association | $200 |
| Eley Park Community Association | $100 |
| Emmaus Old Collegians Football Club | $378 |
| Family Access Network | $611 |
| Floral Art Society of Victoria Inc. | $463 |
| Florence Road Pre School | $864 |
| Greek and Cypriot Elderly Citizens Club of Whitehorse and Districts | $6212 |
| Greek Elderly Citizens Club of Nunawading | $4391 |
| Hand Tool Preservation Society | $454 |
| Heatherdale Pre School | $200 |
| Heritage Roses in Australia Inc. | $192 |
| Independent Senior Citizens Club of Nunawading | $957 |
| Indian Pensioners Club | $5377 |
| Katrina Pre School | $232 |
| Knitting for the Needy | $309 |
| Kiinung Cottage Community House | $638 |
| Ladies Probus Club of Nunawading | $957 |
| Ladies Probus Club of Vermont South | $548 |
| Larch Street Kindergarten | $1620 |
| LINC Whitehorse | $1000 |
| Lions Club of Blackburn North | $4812 |
| Lions Club of Box Hill | $7522 |
| Lions Club of Mitcham | $1291 |
| Lions Club of Mitcham | $400 |
| Lions Club of Vermont South | $500 |
| Lions Den Opportunity Shop | $500 |
| Louise Multicultural Centre | $1488 |
| Marquetry Society of Victoria | $435 |
| Melbourne Ai-Yue Choir | $1349 |
| Melbourne Audio Club Inc. | $1527 |
| Melbourne Chinese Choir | $3337 |
| Melbourne Chinese U3A | $2794 |
| Melbourne Numismatic Society Inc. | $472 |
| Melbourne Taiwanese Ladies Association | $1379 |
| Migrant Information Centre | $1605 |
| Mont Albert Auskick/Surrey Hills Auskick | $1390 |
| Naemi Box Hill | $845 |
| Needlecraft and Tapestry Guild Victoria | $3237 |
| New Hope Baptist Pre School Inc. | $501 |
| Nova Music Theatre Inc. | $18,192 |
| Nunawading Community Gardens | $400 |
| Orana Opportunity Shop | $500 |
| Orchid Specis | $598 |
| Our Lady of Perpetual Succor Primary School | $1620 |
| Papermakers of Victoria | $463 |
| Parent Support Network – Eastern Region Inc. | $85 |
| Parkside Pre School Centre Inc. | $847 |
| Peranakan Association Australia | $239 |
| Perwira Inc – Indonesian Society of Victoria | $2614 |
| Polish Senior Citizen's Club of Doncaster | $5495 |
| Probus Club of Blackburn South Inc. | $1120 |

| Organisation Name | 2012 (excl. GST) |
|---|---|
| Probus Club of Forest Hill Inc. | $1020 |
| Probus Club of Mitcham Inc. | $2100 |
| Probus Club of Mitcham Orchards Inc. | $2291 |
| Probus Club of Nunawading Inc. | $1275 |
| R&S Chrysler Valiant Car Club | $365 |
| Rejoice Community Centre | $431 |
| Road Trauma Support Services Victoria | $95 |
| Roberts McCubbin Primary School | $1881 |
| Rotary Club of Box Hill | $320 |
| Rotary Club of Box Hill Central | $1652 |
| Rotary Club of Mitcham Inc. (Rotary Clothesline Opportunity Shop) | $600 |
| Royal Horticultural Society of Victoria BULB GROUP | $575 |
| Royal Society for the Prevention of Cruelty to Animals | $2600 |
| Senior Citizens of the Greek Community of Forest Hill | $17,920 |
| St Augustine's Anglican Kindergarten Inc. | $200 |
| St James Kindergarten | $477 |
| St Peter's Anglican Kindergarten Box Hill Inc. | $200 |
| St Phillips Primary School | $1291 |
| Surrey Hills Baptist Children's Church | $732 |
| Surrey Hills Primary School | $1489 |
| Surrey Park Junior Football Club Inc. | $1714 |
| Taiwanese Women's Dancing Group | $1779 |
| The Boite Vic Inc. | $2176 |
| Tibetan Women's Association and Friends Australia | $902 |
| Tohid Foundation | $239 |
| U3A Nunawading Inc. | $20,000 |
| Vermont Cancer Research Fundraising Group | $1545 |
| Vermont Floral Art Group | $798 |
| Vermont Garden Club | $639 |
| Vermont Primary School | $497 |
| Warekila Pre School Assocation Inc. | $603 |
| Whitehorse Bicycle Advisory Committee | $142 |
| Whitehorse Boroondara Community Radio | $2108 |
| Whitehorse Community Health Service | $200 |
| Whitehorse Cyclists Inc. | $312 |
| Whitehorse Farmers Market | $800 |
| Whitehorse Film Society | $2418 |
| Whitehorse Junior Colts Football Club Inc. | $899 |
| Whitehorse Primary School | $3045 |
| Whitehorse Showtime | $6896 |
| Whitehorse Toastmasters Club | $3309 |
| Yooralla | $1259 |
| **Total Organisation Support 2011/12** | **$290,599** |

# SECTION FIVE
# Financial Report

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## UNDERSTANDING OUR ANNUAL FINANCIAL REPORT

The Annual Financial Report is one of Council's key reports to the community. It shows Council's financial performance during the year and the financial position at the end of the year.

Council's Annual Financial Report has been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standard Board (AASB), and therefore particular terms under the standards may not be familiar to some readers. Further, as Council is a 'not for profit' organisation, certain terms used in private sector company reports are not appropriate to Council's reports.

Council is committed to accountability. For this reason this simple guide has been developed to assist readers understand the Annual Financial Report.

## WHAT IS CONTAINED IN THE ANNUAL FINANCIAL REPORT?

Council's Annual Financial Report contains the following sections:

- Standard Statements
- Certification of the Standard Statements
- Notes to the Standard Statement
- Financial Statements
- Notes to the Financial Statements
- Certification of the Financial Report
- Auditor-General's Independent Auditor's Report

These sections are described in more detail below.

## STANDARD STATEMENTS

The Standard Statements comprise the following:

- Standard Comprehensive Income Statement
- Standard Balance Sheet
- Standard Cash Flow Statement
- Standard Capital Works Statement

Each of the Standard Statements compares the actual figures with Budget. It also shows the variance between actual and Budget in dollar and percentage terms.

### Standard Comprehensive Income Statement

The Standard Comprehensive Income Statement also shows the financial performance of Council during the financial year. The Standard Comprehensive Income Statement shows total revenue, total expenses and the surplus (deficit) for the year. The Standard Comprehensive Income Statement does distinguish between recurring and non-recurring items, capital grant income, monetary and non monetary capital contributions. The Standard Comprehensive Income Statement also shows other comprehensive income for the year, which are transactions recorded directly in equity.

### Standard Balance Sheet

The Standard Balance Sheet is a snapshot of Council's financial position at the end of the financial year. It shows what Council owns as assets and what it owes as liabilities. Assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months. The components of the Standard Balance Sheet are explained below.

Current and non-current assets include:

- Cash and cash equivalents – This includes cash held in banks and petty cash. It also includes Council's cash investments in term deposits and managed funds.
- Trade and other receivables – This represents monies owed to Council by rate payers, parking debtors, and other debtors.
- Other assets – This includes inventories and prepayments.
- Investments in associates – This represents the value of Council's ownerships and investments in Regional Landfill Clayton South, Whitehorse Manningham Regional Library Corporation, and Narre Warren User Group.
- Property, infrastructure, plant and equipment – This is the most

significant component of Council's worth and includes land, buildings, roads, drainage, land improvements, plant and machinery, equipment, furniture and fittings, other structures, and the art collection.

Current and non-current liabilities include:

- Trade and other payables – This represents monies owed to creditors by Council and deposits held in trust.
- Employee benefits – This represents annual leave and long service leave employee entitlements.
- Interest-bearing loans and borrowings – This relates to loans and borrowings from financial institutions.

Net assets is calculated as total assets less total liabilities and represents the net worth of Council, which has been built up over many years. Net assets equals total equity.

The components of total equity are:

- Accumulated surplus – This refers to the value of all net assets accumulated over time less funds transferred to other reserves.
- Asset revaluation reserve – This is the difference between the previously recorded value of assets and their current valuations.
- Other reserves – This comprises various reserves where funds have been allocated from the accumulated surplus for specific purposes.

**Standard Cash Flow Statement**

The Standard Cash Flow Statement shows Council's cash inflows and cash outflows for the year. It shows the movement in cash and cash equivalents, which comprise cash at bank and on hand, cash held in term deposits, and cash held in managed funds.

Council uses the Standard Cash Flow Statement in conjunction with the rest of the Standard Statements to evaluate changes in net assets, analyse the financial structure (including the liquidity and solvency of Council), and make decisions concerning the amounts and timing of cash flows in order to adapt to changing circumstances and opportunities.

The figures in the Standard Cash Flow Statement are different to the figures in the Standard Income Statement as the Standard Income Statement is prepared on an accruals basis. This means that revenue is recognised when earned and expenses are recognised when incurred, regardless of when the cash is actually received or paid.

The Standard Cash Flow Statement reports cash flows during the year classified as operating, investing or financing activities. These are discussed below:

- Cash flows from operating activities – This relates to revenue-producing activities. It includes receipts from rates, user fees and charges, grants and subsidies, interest received, and other income. This is offset by payments for employee benefits, materials and services and other expenses.
- Cash flows from investing activities – This relates to transactions associated with the acquisition and disposal of long-term assets and other investments. It includes proceeds from the sale of assets and payments for the acquisition of assets.
- Cash flows from financing activities – This relates to transactions associated with loans and borrowings and includes loan repayments and interest payments.

**Standard Capital Works Statement**

The Standard Capital Works Statement is a summary of the spending on capital works. It shows a breakdown of the spending by area including land, buildings, roads, drainage, street trees, parks, urban improvements, and plant and equipment. The Standard Capital Works Statement also splits the total capital works spending into renewal or new. Renewal spending refers to spending on existing assets through renewing, restoring, and replacing existing assets.

The Standard Capital Works Statement also provides a reconciliation of the movement in property, infrastructure, plant and equipment.

**FINANCIAL STATEMENTS**
The Financial Statements comprise the following:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Cash Flow Statement

The figures in the Comprehensive Income Statement, Balance Sheet and Cash Flow Statement are the same as the figures in the Standard Comprehensive Income Statement, Standard Balance Sheet and Standard Cash Flow Statement respectively. The main difference between the Financial Statements and the Standard Statement is that the Financial Statements compare the actual 2011/12 figures with that of prior year, whereas the Standard Statements compare the actual 2011/12 figures with Budget.

Another major difference between the Financial Statements and the Standard Statements is the Statement of Changes in Equity. The Statement of Changes in Equity shows the total comprehensive income for the year, which consists of the surplus (deficit) for the year and any other comprehensive income (asset revaluations), and transfers between accumulated surplus and other reserves. The Statement of Changes in Equity equates to the movement in net assets as shown in the Balance Sheet.

**NOTES TO THE FINANCIAL STATEMENTS**
The Notes to the Financial Statements contain information in addition to that presented in the Financial Statements. It should be read together with other parts of the Financial Report to get a clear picture of Council's financial performance and financial position.

The Notes provide narrative descriptions or disaggregations of items presented in the Financial Statements. The Note references are shown beside the relevant items in the Comprehensive Income Statement, Balance Sheet and the Cash Flow Statement.

The Notes also provide an explanation of Council's significant accounting policies (see Note 1 of the Annual Financial Report). Where Council wishes to disclose other information relevant to reader's understanding that is not presented elsewhere in the Financial Statement, it is shown in the Notes.

**CERTIFICATION OF THE STANDARD STATEMENTS & FINANCIAL REPORT**
The Certification of the Standard Statement and the Certification of the Financial Report are made by the Principal Accounting Officer, the Chief Executive Officer and two Councillors on behalf of Council.

The certification by the Principal Accounting Officer is made by the person responsible for the preparation of the Standard Statements and Financial Report. It certifies that in their opinion, the reports have met all the statutory and professional reporting requirements.

The certification by the Chief Executive Officer and representative Councillors certifies that in their opinion, the Standard Statements and Financial Report are presented fairly and are not misleading or inaccurate.

**AUDITOR-GENERAL'S INDEPENDENT AUDITOR'S REPORT**
The Auditor-General's Independent Auditor's Report provides the reader with a totally independent opinion on the Standard Statements and Financial Report. The opinion covers both the statutory and professional reporting requirements and also the fairness aspects of the reports.

## STANDARD COMPREHENSIVE INCOME STATEMENT
## FOR THE YEAR ENDED 30 JUNE 2012

| | Budget $'000 | Actual $'000 | Variance $'000 | Variance % | Ref |
|---|---|---|---|---|---|
| **Revenue** | | | | | |
| Rates | 79,580 | 79,996 | 416 | 0.5 | |
| User charges, fees and fines | 40,112 | 37,740 | (2,372) | (5.9) | |
| Grants and subsidies - recurrent | 14,569 | 17,402 | 2,833 | 19.4 | 1 |
| Interest income | 4,100 | 4,829 | 729 | 17.8 | 2 |
| Other income | 535 | 1,028 | 493 | 92.1 | 3 |
| **Total revenue** | 138,896 | 140,995 | 2,099 | 1.5 | |
| **Expenses** | | | | | |
| Employee benefits | 55,434 | 56,032 | (598) | (1.1) | |
| Vision Super defined benefit - unfunded liability call | - | 10,386 | (10,386) | 100.0 | 4 |
| Materials and services | 49,531 | 47,716 | 1,815 | 3.7 | |
| Depreciation | 19,990 | 20,073 | (83) | (0.4) | |
| Interest expense | 190 | 190 | - | - | |
| Other expenses | 7,951 | 8,951 | (1,000) | (12.6) | 5 |
| Share of net loss of associates | - | 123 | 123 | 100.0 | 6 |
| **Total expenses** | 133,096 | 143,471 | (10,375) | (7.8) | |
| **Surplus/(deficit) for the year before capital items** | 5,800 | (2,476) | (8,276) | (142.7) | |
| Grants and subsidies - non-recurrent | 1,274 | 3,773 | 2,499 | 196.2 | 7 |
| Contributions - monetary | 733 | 309 | (424) | (57.8) | 8 |
| Contributions - non-monetary | - | 3,712 | 3,712 | 100.0 | 9 |
| Net gain/(loss) on disposal of property, infrastructure, plant and equipment | 247 | (6,539) | (6,786) | (2,747.4) | 10 |
| **Surplus/(deficit) for the year** | 8,054 | (1,221) | (9,275) | (115.2) | |
| **Other comprehensive income** | | | | | |
| Revaluation of property, infrastructure, plant and equipment | - | - | - | - | |
| **Comprehensive results** | 8,054 | (1,221) | (9,275) | (115.2) | |

**Explanation of variances in the Standard Comprehensive Income Statement**

**1 Grants and subsidies - recurrent:** Grants and subsidies - recurrent was higher than budget primarily due to the early receipt in June 2012 of the first two instalments of $2.038m for the 2012/13 Victoria Grants Commission funding. Additional subsidies were also received for the Child Care Centres $0.393m and Home and Community Care $0.312m.

**2 Interest income:** Interest income was higher than budget as a result of locking in deposits for longer maturities and a higher than anticipated cash balance producing higher returns than budgeted.

**3 Other income:** Other Income was favourable to budget mainly due to $0.182m received from VicRoads for the Nunawading rail grade separation project, $0.107m additional fines revenue relating to prosecutions under the Food Act, $0.047m Workcover reimbursements and $0.044m legal cost recoveries.

**4 Vision Super defined benefit - unfunded liability call:** This is due to the Vision Super Defined Benefit Scheme funding shortfall of $10.4m as determined by the Fund's actuarial investigation completed in December 2011.

**5 Other Expenses:** This relates mainly to the Vision Super Defined Benefit Scheme funding shortfall for the Whitehorse City Council's staff employed by the Whitehorse Manningham Regional Library Corporation.

**6 Share of net loss of associates:** The share of net gain/(loss) of associates is not able to be reliably estimated when the Budget is being developed. As such, no results were estimated in the 2011/12 Budget. The share of net gain/(loss) of associates recognises Council's share of the surplus made by Regional Landfill Clayton South of $0.345m and Narre Warren User Group of $0.033m and Council's share of loss in the Whitehorse Manningham Regional Library Corporation of $0.501m.

**7 Grants and subsidies - non-recurrent:** Capital income was favourable to budget mainly due to receipt of a $1.600m grant from the Federal Community Infrastructure Fund for Nunawading Library redevelopment works that were completed in the previous financial year and $0.445m received earlier than budgeted from Sport & Recreation Victoria for the Aqualink Box Hill redevelopment.

**8 Contributions - monetary:** This is lower than originally budgeted as a result of road and drainage schemes not being undertaken as part of the Capital Works program. Refer to the Annual Financial Report Note 5(a).

**9 Contributions - non monetary:** Developer contributions in the form of land or infrastructure are not included in the Budget as they are typically one-off in nature and dependant on development. During 2011/12, contributions of land (public open space) and drainage were received and required to be recognised as income and a fixed asset. Refer to the Annual Financial Report Note 5(b).

**10 Net gain/(loss) on disposal of property, infrastructure, plant and equipment:** The net loss on disposal of property, infrastructure, plant and equipment was higher than budget as a result of the demolition of the Aqualink Box Hill aquatic building and the Springfield Park Pavilion. Refer to the Annual Financial Report Note 13.

## STANDARD BALANCE SHEET
AS AT 30 JUNE 2012

| | Budget $'000 | Actual $'000 | Variance $'000 | Variance % | Ref |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| **Current assets** | | | | | |
| Cash and cash equivalents | 74,793 | 84,440 | 9,647 | 12.9 | 11 |
| Trade and other receivables | 5,643 | 7,555 | 1,912 | 33.9 | 12 |
| Other current assets | 1,750 | 1,612 | (138) | (7.9) | |
| **Total current assets** | 82,186 | 93,607 | 11,421 | 13.9 | |
| **Non-current assets** | | | | | |
| Trade and other receivables | 271 | 125 | (146) | (53.9) | 13 |
| Investments in associates | 7,075 | 6,669 | (406) | (5.7) | |
| Property, infrastructure, plant and equipment | 1,930,215 | 1,876,324 | (53,891) | (2.8) | |
| **Total non-current assets** | 1,937,561 | 1,883,118 | (54,443) | (2.8) | |
| **Total assets** | 2,019,747 | 1,976,725 | (43,022) | (2.1) | |
| **Liabilities** | | | | | |
| **Current liabilities** | | | | | |
| Trade and other payables | 18,321 | 20,487 | (2,166) | (11.8) | 14 |
| Interest bearing loans and borrowings | 279 | 279 | - | - | |
| Employee benefits | 11,124 | 21,757 | (10,633) | (95.6) | 15 |
| **Total current liabilities** | 29,724 | 42,523 | (12,799) | (43.1) | |
| **Non-current liabilities** | | | | | |
| Interest bearing loans and borrowings | 1,811 | 1,813 | (2) | (0.1) | |
| Employee benefits | 679 | 717 | (38) | (5.6) | |
| **Total non-current liabilities** | 2,490 | 2,530 | (40) | (1.6) | |
| **Total liabilities** | 32,214 | 45,053 | (12,839) | (39.9) | |
| **Net assets** | 1,987,533 | 1,931,672 | (55,861) | (2.8) | |
| **Equity** | | | | | |
| Accumulated surplus | 657,812 | 651,522 | (6,290) | (1.0) | |
| Asset revaluation reserve | 1,279,122 | 1,228,638 | (50,484) | (3.9) | |
| Other reserves | 50,599 | 51,512 | 913 | 1.8 | |
| **Total equity** | 1,987,533 | 1,931,672 | (55,861) | (2.8) | |

**Explanation of variances in the Standard Balance Sheet**

**11 Cash and cash equivalents:** Cash and cash equivalents were higher than budget mainly as a result of the early receipt in June 2012 of $2.038m Victoria Grants Commission funding relating to 2012/13, $2.075m additional capital income, $0.730m additional interest for the year and $2.180m less spent on property, infrastructure, plant and equipment (see Standard Capital Works Statement).

**12 Trade and other receivables (current):** Trade and other receivables (current) were higher than budget mainly due to higher than expected rates outstanding balances.

**13 Trade and other receivables (non-current):** Trade and other receivables (non-current) were lower than budget mainly as a result of higher amount of loans and advances being repaid during the year. Refer to the Annual Financial Report Note 16.

**14 Trade and other payables (current):** This relates mainly to the Vision Super Defined Benefit Scheme funding shortfall for the Whitehorse City Council's staff employed by the Whitehorse Manningham Regional Library Corporation.

**15 Employee Benefits (current):** Employee Benefits are higher than budget mainly as a result of the Vision Super Defined Benefits Scheme funding shortfall of $10.4m as determined by the funds actuarial investigation completed in December 2011. Refer to the Annual Financial Report Note 23.

## STANDARD CASH FLOW STATEMENT
## FOR THE YEAR ENDED 30 JUNE 2012

| | Budget $'000 | Actual $'000 | Variance $'000 | Variance % | Ref |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Rates | 79,580 | 79,604 | 24 | 0.0 | |
| User charges, fees and fines | 40,112 | 39,955 | (157) | (0.4) | |
| Grants and subsidies - recurrent | 14,569 | 18,159 | 3,590 | 24.6 | 16 |
| Interest received | 4,100 | 4,829 | 729 | 17.8 | 17 |
| Other income | 535 | 1,073 | 538 | 100.6 | 18 |
| Net GST refund | - | 4,927 | 4,927 | 100.0 | 19 |
| Employee benefits | (54,898) | (55,937) | (1,039) | 1.9 | |
| Materials and services | (49,012) | (51,558) | (2,546) | (5.2) | |
| Other expenses | (7,951) | (8,784) | (833) | (10.5) | 20 |
| **Net cash from operating activities** | 27,035 | 32,268 | 5,233 | 19.4 | |
| **Cash flows from investing activities** | | | | | |
| Dividends received from associate | - | 424 | 424 | 100.0 | 21 |
| Repayment of loans and advances | 6 | 2 | (4) | (66.7) | |
| Proceeds from sale of property, infrastructure, plant and equipment | 1,160 | 1,325 | 165 | 14.2 | 22 |
| Acquisition of property, infrastructure, plant and equipment | (31,835) | (31,353) | 482 | 1.5 | |
| Capital contributions | 2,007 | 4,327 | 2,320 | 115.6 | 23 |
| **Net cash used in investing activities** | (28,662) | (25,275) | 3,387 | 11.8 | |
| **Cash flows from financing activities** | | | | | |
| Repayment of loans and borrowings - including interest | (447) | (446) | 1 | (0.2) | |
| **Net cash used in financing activities** | (447) | (446) | 1 | (0.2) | |
| **Net increase/(decrease) in cash and cash equivalents** | (2,075) | 6,547 | 8,622 | 415.5 | |
| Cash and cash equivalents at 1 July | 76,868 | 77,893 | 1,025 | 1.3 | |
| **Cash and cash equivalents at 30 June** | 74,793 | 84,440 | 9,647 | 12.9 | 24 |

* Budgeted figures are exclusive of GST, actual figures are inclusive of GST.

**Explanation of variances in the Standard Cash Flow Statement**

**16 Grants and subsidies - recurrent:** Grants and subsidies - recurrent was higher than budget primarily due to the early receipt in June 2012 of the first two instalments $2.038m for the 2012/13 Victoria Grants Commission funding. Additional subsidies were also received by the Child Care Centres $0.393m and Home and Community Care $0.312m.

**17 Interest received:** Interest received was higher than budget as a result of locking in deposits for longer maturities and a higher than anticipated cash balance producing higher returns than budgeted.

**18 Other income:** Other income was favourable to budget mainly due to $0.182m received from VicRoads for the Nunawading rail grade separation project, $0.107m additional fines revenue relating to prosecutions under the Food Act, $0.047m Workcover reimbursements and $0.044m legal cost recoveries.

**19 Net GST refund:** Council's budget is calculated exclusive of GST with the actual results inclusive of GST.

**20 Other expenses:** The other expenses budgeted figure excludes GST, whereas the actual figure includes GST.

**21 Dividends received from associate:** During the year, Council received a dividend from Council's investment in Regional Landfill Clayton South of $0.424m, which was not budgeted. Refer to the Annual Financial Report Note 18(a).

**22 Proceeds from sale of property, infrastructure, plant and equipment:** Proceeds were higher than expected due to increase in the sale of Council owned rights of way no longer required.

**23 Capital contributions:** Capital contributions were favourable to budget mainly due to receipt of a $1.600m grant from the Federal Community Infrastructure Fund for Nunawading Library redevelopment works that were completed in the previous financial year and $0.445m received earlier than budgeted from Sport & Recreation Victoria for the Aqualink Box Hill redevelopment.

**24 Cash and cash equivalents:** Cash and cash equivalents were higher than budget due to a higher than expected opening cash balance and the early receipt of the Victoria Grants Commission payment for the first two instalments of 2012/13.

## STANDARD CAPITAL WORKS STATEMENT
## FOR THE YEAR ENDED 30 JUNE 2012

| | Budget $'000 | Actual $'000 | Variance $'000 | Variance % | Ref |
|---|---|---|---|---|---|
| **Capital works area** | | | | | |
| Land | - | 1,181 | (1 181) | 100.0 | 25 |
| Buildings | 8,504 | 10,200 | (1,696) | (19.9) | 26 |
| Roads | 7,109 | 7,189 | (80) | (1.1) | |
| Drainage | 1,034 | 2,417 | (1,383) | (133.8) | 27 |
| Street Trees | 340 | 203 | 137 | 40.3 | 28 |
| Parks | 4,659 | 3,070 | 1,589 | 34.1 | 29 |
| Urban improvements | 2,930 | 2,400 | 530 | 18.1 | 30 |
| Plant and equipment | 4,597 | 4,693 | (96) | (2.1) | |
| **Total capital works** | 29,173 | 31,353 | (2,180) | (7.5) | |
| **Represented by:** | | | | | |
| Renewal | 25,052 | 23,910 | 1,142 | 4.6 | |
| New | 4,121 | 7,443 | (3,322) | (80.6) | |
| **Total capital works** | 29,173 | 31,353 | (2,180) | (7.5) | |
| **Reconciliation of movement in property, infrastructure, plant and equipment** | | | | | |
| Total capital works | 29,173 | 28,691 | (482) | (1.7) | |
| Carry forward capital projects | 2,662 | 2,662 | - | - | |
| Developers contributions | - | 3,712 | 3,712 | 100.0 | 31 |
| Disposals | (913) | (7,865) | (6,952) | (761.4) | 32 |
| Depreciation | (19,990) | (20,073) | (83) | (0.4) | |
| Non-capital items expensed | - | (438) | (438) | 100.0 | 33 |
| Revaluations | 37,256 | - | (37,256) | (100.0) | 34 |
| **Net movement in property, infrastructure, plant and equipment** | 48,188 | 6,689 | (41,499) | (86.1) | |

**Explanation of variances in the Standard Capital Works Statement**

**25 Land:** During the year Council purchased land at 46 Graham Place, Box Hill which was not expected when the Budget was adopted. The purchase of the land was funded from contributions held in the public open space reserve.

**26 Buildings:** The significant variance between actual and budgeted expenditure on buildings primarily relates to expenditure on Aqualink Box Hill redevelopment that was carried forward from 2010/11.

**27 Drainage:** The Box Hill Gardens Stormwater Harvest Project has been classified within drainage however it is budgeted under the classification of Parks.

**28 Street Trees:** The variance between actual and budget was as a result of sourcing a significant percentage of tree stock through Council's own nursery.

**29 Parks:** The Box Hill Gardens Stormwater Harvest Project has been classified within drainage however it is budgeted under the classification of Parks.

**30 Urban Improvements:** The variance between actual and budget is a result of an underspend on Nunawading retail precinct - Station Street program and a number of footpath projects reclassified from Urban Improvements to Roads.

**31 Developer contributions:** Developer contributions in the form of land or infrastructure are not included in the Budget as they are typically one-off in nature and dependent on development. During 2011/12, contributions of land (public open space) and drainage were received and required to be recognised as income and a fixed asset. Refer to the Annual Financial Report Note 5(b).

**32 Disposals:** Disposals were higher than budget as a result of additional plant being disposed of during the year, demolition of various buildings at Springfield Park and the partial demolition of Box Hill Aqualink.

**33 Non-capital items expensed:** After further investigation, expenses held in work in progress were deemed to be expense in nature following a change in the asset capitalisation policy.

**34 Revaluations:** There were no revaluations required in the 2011/12 year.

## NOTES TO THE STANDARD STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2012

### NOTE 1 Basis of preparation of the Standard Statements

Whitehorse City Council is required to prepare and include audited Standard Statements within its Annual Report. Four statements are required this year being the Standard Comprehensive Income Statement, Standard Balance Sheet, Standard Cash Flow Statement and Standard Capital Works Statement, together with explanatory notes.

These statements and supporting notes form a special purpose financial report prepared to meet the requirements of the *Local Government Act (1989)* and the *Local Government (Finance and Reporting) Regulations (2004)*.

The Standard Statements have been prepared on accounting bases consistent with those used for the general purpose financial report and the Budget. The results reported in these statements are consistent with those reported in the general purpose financial report.

The Standard Statements are not a substitute for the general purpose financial report, which is included in the Annual Report. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government Act (1989)* requires explanation of any material variances. Council has adopted a materiality threshold of 10 percent or where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures included in the Standard Statements are those adopted by Council on 27 June 2011. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long-term.

Detailed information on the actual financial results are contained in the general purpose financial report. The Standard Statements must be read with reference to this document.

**Standard Comprehensive Income Statement**

The Standard Comprehensive Income Statement shows the financial performance of Council during the year. It shows total revenue, total expenses, the underlying result before non-recurring items, and the surplus (deficit) for the year after non-recurring items. The Standard Comprehensive Income Statement also shows other comprehensive income for the year, which are transactions recorded directly in equity.

**Standard Balance Sheet**

The Standard Balance Sheet is a snapshot of Council's financial position at the end of the financial year. It shows what Council owns as assets and what it owes as liabilities. Assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months. Net assets is calculated as total assets less total liabilities and represents the net worth of Council, which has been built up over many years. Net assets equals total equity.

**Standard Cash Flow Statement**

The Standard Cash Flow Statement shows Council's cash inflows and cash outflows for the year. It shows the movement in cash and cash equivalents, which comprise cash at bank and on hand, cash held in term deposits, and cash held in managed funds. Council uses the Standard Cash Flow Statement in conjunction with the rest of the Standard Statements to evaluate changes in net assets, analyse the financial structure (including the liquidity and solvency of Council), and make decisions concerning the amounts and timing of cash flows in order to adapt to changing circumstances and opportunities.

**Standard Capital Works Statement**

The Standard Capital Works Statement is a summary of the spending on capital works. It shows a breakdown of the spending by area including land, buildings, roads, drainage, street trees, parks, urban improvements, and plant and equipment. The Standard Capital Works Statement also splits the total capital works spending into renewal or new. Renewal spending refers to spending on existing assets through renewing, restoring, and replacing existing assets.

The Standard Capital Works Statement also provides a reconciliation of the movement in property, infrastructure, plant and equipment.

## CERTIFICATION OF THE STANDARD STATEMENTS

In my opinion, the Standard Statements of Whitehorse City Council for the year ended 30 June 2012 have been prepared on accounting bases consistent with the Financial Report and in accordance with the *Local Government Act (1989)* and the *Local Government (Finance and Reporting) Regulations (2004)*.

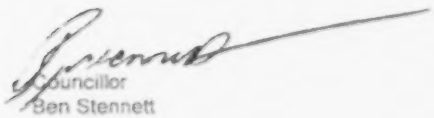
Principal Accounting Officer
Marc Giglio FCPA

Dated: 10 September 2012
Nunawading

In our opinion, the Standard Statements have been prepared on accounting bases consistent with the Financial Report and in accordance with the *Local Government Act (1989)* and the *Local Government (Finance and Reporting) Regulations (2004)*.

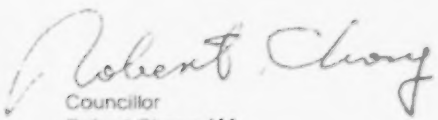
As at the date of signing, we are not aware of any circumstances which would render any particulars in the Standard Statements to be misleading or inaccurate.

We were authorised by Council on 20 August 2012 to certify the Standard Statement in their final form on behalf of Council.



Councillor
Ben Stennett

Dated: 10 September 2012
Nunawading



Councillor
Robert Chong AM

Dated: 10 September 2012
Nunawading

Chief Executive Officer
Noelene Duff

Dated: 10 September 2012
Nunawading

## COMPREHENSIVE INCOME STATEMENT
## FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **Revenue** | | | |
| Rates | 2 | 79,996 | 73,160 |
| User charges, fees and fines | 3 | 37,740 | 36,779 |
| Grants and subsidies - recurrent | 4(a) | 17,402 | 15,813 |
| Interest income | 6 | 4,829 | 4,784 |
| Other income | 7 | 1,028 | 728 |
| **Total revenue** | | 140,995 | 131,264 |
| | | | |
| **Expenses** | | | |
| Employee benefits | 8 | 56,032 | 52,766 |
| Vision Super defined benefit - unfunded liability call | 8 | 10,386 | 2,208 |
| Materials and services | 9 | 47,716 | 45,486 |
| Depreciation | 10 | 20,073 | 19,028 |
| Interest expense | 11 | 190 | 211 |
| Other expenses | 12 | 8,951 | 7,625 |
| Share of net loss of associates | 14 | 123 | (565) |
| **Total expenses** | | 143,471 | 126,759 |
| | | | |
| **Surplus/(deficit) for the year before capital items** | | (2,476) | 4,505 |
| | | | |
| Grants and subsidies - non-recurrent | 4(b) | 3,773 | 1,366 |
| Contributions - monetary | 5(a) | 309 | 669 |
| Contributions - non-monetary | 5(b) | 3,712 | 564 |
| Net gain/(loss) on disposal of property, infrastructure, plant and equipment | 13 | (6,539) | (400) |
| **Surplus/(deficit) for the year** | | (1,221) | 6,704 |
| | | | |
| **Other comprehensive income** | | | |
| Revaluation of property, infrastructure, plant and equipment | | - | 22,943 |
| **Comprehensive results** | | (1,221) | 29,647 |

The Comprehensive Income Statement should be read with the accompanying notes.

## BALANCE SHEET
## AS AT 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 15 | 84,440 | 77,893 |
| Trade and other receivables | 16 | 7,555 | 7,736 |
| Other current assets | 17 | 1,612 | 765 |
| **Total current assets** | | 93,607 | 86,394 |
| **Non-current assets** | | | |
| Trade and other receivables | 16 | 125 | 194 |
| Investments in associates | 18 | 6,669 | 7,216 |
| Property, infrastructure, plant and equipment | 19 | 1,876,324 | 1,869,635 |
| **Total non-current assets** | | 1,883,118 | 1,877,045 |
| **Total assets** | | 1,976,725 | 1,963,439 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 20 | 15,278 | 12,229 |
| Trust funds and deposits | 21 | 5,209 | 4,745 |
| Interest bearing loans and borrowings | 22 | 279 | 256 |
| Employee benefits | 23 | 21,757 | 10,660 |
| **Total current liabilities** | | 42,523 | 27,890 |
| **Non-current liabilities** | | | |
| Interest bearing loans and borrowings | 22 | 1,813 | 2,092 |
| Employee benefits | 23 | 717 | 564 |
| **Total non-current liabilities** | | 2,530 | 2,656 |
| **Total liabilities** | | 45,053 | 30,546 |
| **Net assets** | | 1,931,672 | 1,932,893 |
| **Equity** | | | |
| Accumulated surplus | 24(a) | 651,522 | 654,387 |
| Asset revaluation reserve | 24(b) | 1,228,638 | 1,228,638 |
| Other reserves | 24(c) | 51,512 | 49,868 |
| **Total equity** | | 1,931,672 | 1,932,893 |

The Balance Sheet should be read with the accompanying notes.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 30 JUNE 2012

| 2012 | Note | Accumulated surplus $'000 | Asset revaluation reserve $'000 | Other reserves $'000 | Total $'000 |
|---|---|---|---|---|---|
| Balance at 1 July 2011 | | 654,387 | 1,228,638 | 49,868 | 1,932,893 |
| *Total comprehensive income for the year:* | | | | | |
| Surplus for the year | 24 | (1,221) | - | - | (1,221) |
| Revaluation of property, infrastructure, plant and equipment | 24 | - | - | - | - |
| Transfers in | 24 | 2,606 | - | 4,250 | 6,856 |
| Transfers out | 24 | (4,250) | - | (2,606) | (6,856) |
| **Balance at 30 June 2012** | | 651,522 | 1,228,638 | 51,512 | 1,931,672 |

| 2011 | Note | Accumulated surplus $'000 | Asset revaluation reserve $'000 | Other reserves $'000 | Total $'000 |
|---|---|---|---|---|---|
| Balance at 1 July 2010 | | 648,749 | 1,205,695 | 48,802 | 1,903,246 |
| *Total comprehensive income for the year:* | | | | | |
| Surplus for the year | 24 | 6,704 | - | - | 6,704 |
| Revaluation of property, infrastructure, plant and equipment | 24 | - | 22,943 | - | 22,943 |
| Transfers in | 24 | 4,100 | - | 5,166 | 9,266 |
| Transfers out | 24 | (5,166) | - | (4,100) | (9,266) |
| **Balance at 30 June 2011** | | 654,387 | 1,228,638 | 49,868 | 1,932,893 |

The Statement of Changes in Equity should be read with the accompanying notes.

## CASH FLOW STATEMENT
## FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Rates | | 79,604 | 72,931 |
| User charges, fees and fines | | 39,955 | 38,238 |
| Grants and subsidies | | 18,159 | 16,445 |
| Interest received | | 4,829 | 4,422 |
| Other income | | 1,073 | 761 |
| Net GST refund | | 4,927 | 4,520 |
| Employee benefits | | (55,937) | (54,952) |
| Materials and services | | (51,558) | (51,265) |
| Other expenses | | (8,784) | (8,346) |
| **Net cash from operating activities** | 25 | 32,268 | 22,754 |
| **Cash flows from investing activities** | | | |
| Dividends received from associate | | 424 | 424 |
| Repayment of loans and advances from community organisations | | 2 | 2 |
| Proceeds from sale of property, infrastructure, plant and equipment | | 1,325 | 1,102 |
| Acquisition of property, infrastructure, plant and equipment | | (31,353) | (26,246) |
| Capital contributions | | 4,327 | 1,622 |
| **Net cash used in investing activities** | | (25,275) | (23,096) |
| **Cash flows from financing activities** | | | |
| Repayment of interest bearing loans and borrowings | | (256) | (235) |
| Interest paid | | (190) | (211) |
| **Net cash used in financing activities** | | (446) | (446) |
| **Net increase (decrease) in cash and cash equivalents** | | 6,547 | (788) |
| Cash and cash equivalents at 1 July | | 77,893 | 78,681 |
| **Cash and cash equivalents at 30 June** | 15 | 84,440 | 77,893 |

The Cash Flow Statement should be read with the accompanying notes.

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED 30 JUNE 2012

### INTRODUCTION

The Whitehorse City Council was established by an Order of Governor in Council on 15th December 1994 and is a body corporate.

Council's main office is located at 379-397 Whitehorse Road, Nunawading VIC 3131.

The purpose of Council is to:
- provide for the peace, order and good government of its municipal district;
- to promote the social, economic and environmental viability and sustainability of the municipal district;
- to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
- to improve the overall quality of life of people in the local community;
- to promote appropriate business and employment opportunities;
- to ensure that services and facilities provided by the Council are accessible and equitable;
- to ensure the equitable imposition of rates and charges; and
- to ensure transparency and accountability in Council decision making.

External Auditor - Auditor-General of Victoria
Internal Auditor - PricewaterhouseCoopers
Solicitors - Macquarie Lawyers & Strategist, Maddocks, Stopline Pty Ltd, Norton Rose Australia, SAI Global Property Division, Russell Kennedy, Freehills, Betteridge Legal Consulting and DLA Piper Australia.
Bankers - National Australia Bank
Website address - www.whitehorse.vic.gov.au

This Financial Report is a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act (1989), and the Local Government (Finance and Reporting) Regulations (2004).

### NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

**(a) Basis of accounting**

This Financial Report has been prepared on an accrual and going concern basis.

This Financial Report has been prepared under the historical cost convention, except where specifically stated in Notes 1(d), 1(g), 1(h), 1(i) and 1(n).

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**(b) Revenue recognition**

***Rates***

Rates are recognised as revenue when Council obtains control over the assets comprising these receipts. Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

***User charges, fees and fines***

User charges, fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for doubtful debts is recognised when collection in full is no longer probable.

***Grants and subsidies***

Grants and subsidies are recognised as revenue when Council obtains control over the assets comprising these receipts. Control over grants and subsidies is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant or subsidy has been secured, and are valued at their fair value at the date of transfer.

Where grants or subsidies recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or subsidy is disclosed in Note 4. The note also discloses the amount of unused grants or subsidies from prior years that were expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

***Contributions***

Contributions (including developer contributions) are recognised as revenue when Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to Council and the amount of the contribution can be measured reliably.

***Interest income***

Interest is recognised progressively as it is earned.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (c) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

### (d) Cash and cash equivalents

Cash and cash equivalents include cash at bank and on hand, deposits at call, and other highly liquid investments with original maturities of three months or less.

Cash managed funds are valued at fair value, being market value, at balance date. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Bank overdrafts that are repayable on demand and form an integral part of Council's cash management are included as a component of cash and cash equivalents for the purpose of the Cash Flow Statement.

### (e) Trade and other receivables

Receivables are carried at amortised cost using the effective interest rate method.

A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred.

### (f) Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

### (g) Investments in associates

Council's investment in associates is accounted for by the equity method as Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in the Council's share of the net assets of the entities. Council's share of the financial result of the entities is recognised in the Comprehensive Income Statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (h) Property, infrastructure, plant and equipment

***Acquisitions***

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised in Note 19. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

| Asset class | Amount |
|---|---|
| Land | Nil |
| Buildings | Nil |
| Road substructure | $5,000 |
| Road seal | $5,000 |
| Footpaths | $5,000 |
| Kerb and channel | $5,000 |
| Other road assets | $5,000 |
| Drainage | $5,000 |
| Land improvements | $1,000 |
| Plant and machinery | $200 |
| Equipment, furniture and fittings | $200 |
| Other structures | $1,000 |
| Art collection | Nil |

***Revaluation***

Subsequent to the initial recognition of assets, non-current physical assets (including land, buildings, roads and drainage), other than plant and equipment, other structures, land improvements and art collection, are measured at fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arm's length transaction. At balance date, Council reviewed the carrying value of the individual classes of assets within land, buildings, roads and drainage to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, roads and drainage assets on a regular basis ranging from two to three years. The valuation is performed either by experienced Council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**(h) Property, infrastructure, plant and equipment (continued)**

***Land under roads***

Land under roads acquired after 30 June 2008 is brought to account using the fair value basis. Council does not recognise land under roads that is controlled prior to that period in its Financial Report.

***Depreciation***

Buildings, infrastructure, plant and equipment, and other assets having limited useful lives are systematically depreciated over their useful lives in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Straight line depreciation is charged based on the residual useful life as determined each year.

The range of depreciation rates used for each class of asset are listed in the table below and are consistent with the prior year unless otherwise stated. Land and various pieces of art work are not depreciated.

| | 2012 | |
|---|---|---|
| **Asset class** | **Rate** | **Years** |
| Buildings | 1.00%-3.00% | 33 - 100 years |
| Roads | 0.67%-10.00% | 10 - 150 years |
| Drainage | 1.00%-2.00% | 50 - 100 years |
| Land improvements | 0.00%-20.00% | 0 - 5 years |
| Plant and machinery | 5.00%-50.00% | 2 - 20 years |
| Equipment, furniture and fittings | 5.00%-35.00% | 3 - 20 years |
| Other structures | 2.00%-50.00% | 2 - 50 years |
| Art collection | 0.00%-1.00% | 0 - 100 years |

***Sale of property, infrastructure, plant and equipment***

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

***Repairs and maintenance***

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

**(i) Impairment of assets**

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Comprehesive Income Statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**(j) Employee benefits**

***Annual leave***

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date.

Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled.

Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

***Long service leave***

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service.

Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled.

Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

***Classification of employee benefits***

An employee benefit liability is classified as a current liability if Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

***Wages and salaries***

Liabilities for wages and salaries and rostered days off are recognised and are measured as the amount unpaid at balance date and include appropriate oncosts such as workers compensation and payroll costs.

***Superannuation***

A liability is recognised in respect of Council's present obligation to meet the unfunded obligations of defined benefit superannuation schemes to which its employees are members. The liability is defined as Council's share of the scheme's unfunded position, being the difference between the present value of employees' accrued benefits and the net market value of the scheme's assets at balance date. The liability also includes applicable contributions tax of 15%.

The superannuation expense for the reporting year is the amount of the statutory contribution Council makes to the superannuation plan which provides benefits to its employees together with any movements (favourable/unfavourable) in the position of any defined benefits schemes. Details of these arrangements are recorded in Note 23.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**(k) Trade and other payables**

Trade and other payables are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, trade and other payables are recognised at amortised cost using the effective interest rate method.

Amounts received as tender deposits and retention amounts controlled by Council are recognised as trust funds and other deposits until they are returned or forfeited (refer to Note 21).

**(l) Operating leases**

Lease payments for operating leases are recognised on a straight line basis over the term of the lease.

**(m) Goods and services tax (GST)**

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included.

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(n) Financial guarantees**

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

**(o) Rounding**

Unless otherwise stated, amounts in the Financial Report have been rounded to the nearest thousand dollars.

**(p) Budget information**

Amounts shown in the financial report as budget information have been disclosed for information purposes only. Where necessary, budget information has been recast to comply with current presentation requirements. The budget figures have been drawn from Council's budget approved at the time the rates were adopted by Council for the 2011/12 year.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**(q) New standards and interpretations not yet adopted**

The following standards, amendments to standards and interpretations have been identified as those which may impact the council but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

| Standard / interpretation | Summary of key changes | Application date (periods beginning on or after) | Impact on local government financial statements |
|---|---|---|---|
| AASB 9: Financial Instruments and AASB 2010–11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12] | These standards are applicable retrospectively and amend the classification and measurement of financial assets. Council has not yet determined the potential impact on the financial statements. Specific changes include:<br><br>* simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;<br><br>* removing the tainting rules associated with held-to-maturity assets;<br><br>* simplifying the requirements for embedded derivatives;<br><br>* removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;<br><br>* allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and<br><br>* reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on:<br>a. the objective of the entity's business model for managing the financial assets; and<br>b. the characteristics of the contractual cash flows. | Applicable for annual reporting periods commencing on or after 1 January 2013. | These changes are expected to provide some simplification in the accounting for and disclosure of financial instruments |

**(r) Contingent assets and contingent liabilities and commitments**

Contingent assets and contingent liabilities are not recognised in the Balance Sheet but are disclosed by way of note and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of note and presented inclusive of the GST payable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 2 RATES

Council uses Capital Improved Value (CIV), representing the value of land and buildings, as the basis of valuation of all properties within the municipal district.

The valuation base used to calculate general rates for 2011/12 was:

| | | |
|---|---|---|
| General rate | $42,483,339,001 | (2010/11: $42,213,089,000) |
| Recreational rate | $65,200,000 | (2010/11: $67,560,000) |

The 2011/12 rate in the dollar of general rate assessments was 0.18843 cents of each dollar of CIV (2010/11: 0.173546 cents).

The total quantum of 'in-lieu of rates' levied on recreational assessments was $36,857 in 2011/12 (2010/11: $35,174).

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2012, and the valuation was first applied in the rating year commencing 1 July 2012.

The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2010, and the valuation was first applied in the rating year commencing 1 July 2010.

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| Residential | 70,999 | 64,929 |
| Commercial | 6,116 | 5,640 |
| Industrial | 2,464 | 2,247 |
| Supplementary | 417 | 344 |
| **Total rates** | 79,996 | 73,160 |

## NOTE 3 USER CHARGES, FEES AND FINES

| | | |
|---|---|---|
| Arts and Culture | 2,015 | 2,025 |
| Compliance | 4,955 | 4,583 |
| Health and Family Services | 5,497 | 5,796 |
| Home and Community Care | 2,525 | 2,442 |
| Parks, Recreation and Active Leisure Centres | 8,251 | 8,662 |
| Planning and Building | 4,375 | 3,450 |
| Waste and Recycling Service | 8,915 | 8,502 |
| Other fees and charges | 1,207 | 1,319 |
| **Total user charges, fees and fines** | 37,740 | 36,779 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **NOTE 4** | **GRANTS AND SUBSIDIES** | | |
| | Grants were received in respect of the following : | | |
| | Federal | 18,933 | 15,791 |
| | State | 2,227 | 1,373 |
| | Other | 15 | 15 |
| | **Total grants and subsidies** | 21,175 | 17,179 |
| | **(a) Recurrent** | | |
| | Arts and Culture | 10 | 10 |
| | Child Care Centres | 1,923 | 1,603 |
| | City Development | - | 119 |
| | Community Development | 215 | 244 |
| | Environmental Health | 149 | 155 |
| | Family Day Care | 683 | 574 |
| | Family, Youth and Children | 175 | 190 |
| | Home and Community Care | 8,023 | 7,703 |
| | Infrastructure | 101 | 90 |
| | Maternal and Child Health | 855 | 877 |
| | Parks, Recreation and Active Leisure Centres | 34 | 117 |
| | School Crossing Subsidies | 250 | 260 |
| | Victoria Grants Commission - local roads | 992 | 770 |
| | Victoria Grants Commission - general assistance | 3,992 | 3,101 |
| | **Total grants and subsidies - recurrent** | 17,402 | 15,813 |
| | **(b) Non-recurrent** | | |
| | Arts and Culture | 1,600 | 347 |
| | City Development | - | 49 |
| | Home and Community Care | - | 40 |
| | Infrastructure | 514 | 623 |
| | Parks, Recreation and Active Leisure Centres | 1,659 | 307 |
| | **Total grants and subsidies - non-recurrent** | 3,773 | 1,366 |
| | **Total grants and subsidies** | 21,175 | 17,179 |
| | **Conditions on grants** | | |
| | Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were: | | |
| | City Development | 95 | 28 |
| | Community Development | - | 9 |
| | Parks, Recreation and Active Leisure Centres | - | 42 |
| | | 95 | 79 |
| | Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were: | | |
| | Arts and Culture | - | 139 |
| | City Development | 28 | 35 |
| | Community Development | 9 | 49 |
| | Family, Youth and Children | - | 23 |
| | Home and Community Care | - | 40 |
| | Maternal and Child Health | - | 6 |
| | Parks, Recreation and Active Leisure Centres | 42 | 2,199 |
| | | 79 | 2,491 |
| | Net increase/(decrease) in restricted assets resulting from grant revenues for the year | 16 | (2,412) |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **NOTE 5** | **CONTRIBUTIONS** | | |
| | **(a) Monetary** | | |
| | Resident/user/other contributions | 129 | 538 |
| | Contributions from sporting clubs | 180 | 131 |
| | **Total contributions - monetary** | 309 | 669 |
| | **(b) Non-monetary** | | |
| | Developers contributions - public open space | 2,190 | 307 |
| | Developers contributions - drainage | 1,238 | 257 |
| | Developers contributions - roads | 284 | - |
| | **Total contributions - non-monetary** | 3,712 | 564 |
| **NOTE 6** | **INTEREST INCOME** | | |
| | Interest earned from cash and cash equivalents | 4,521 | 4,530 |
| | Interest earned from rates | 308 | 254 |
| | **Total interest income** | 4,829 | 4,784 |
| **NOTE 7** | **OTHER INCOME** | | |
| | Utilities recovered | 56 | 56 |
| | Cost recovery income | 249 | 146 |
| | Other income | 723 | 526 |
| | **Total other income** | 1,028 | 728 |
| **NOTE 8** | **EMPLOYEE BENEFITS** | | |
| | Wages and salaries | 49,352 | 46,413 |
| | Superannuation | 4,007 | 3,776 |
| | Defind Benefits Scheme Fund - unfunded liability call* | 10,386 | 2,208 |
| | Fringe benefits tax | 638 | 526 |
| | Staff development | 999 | 922 |
| | Workcover | 1,036 | 1,129 |
| | **Total employee benefits** | 66,418 | 54,974 |

* On 31 July 2012 Council was advised that it was required to make an additional contribution to the Vision Super Defined Benefit Scheme Fund to meet the funding shortfall of $10.4m as determined by the funds actuarial investigation completed in late 2011. The funding shortfall liability relates to Whitehorse City Council staff who are in the Vision Super Defined Benefits Scheme Fund. Refer to Note 23 for more details.

| | | | |
|---|---|---|---|
| **NOTE 9** | **MATERIALS AND SERVICES** | | |
| | Contracts and services | 15,718 | 14,086 |
| | Council election | 2 | - |
| | Fuel and oil | 931 | 785 |
| | Insurance | 997 | 859 |
| | Legal expenses | 1,030 | 823 |
| | Materials and supplies | 2,438 | 2,852 |
| | Public lighting | 1,448 | 1,381 |
| | Repairs and maintenance | 3,193 | 3,156 |
| | Street sweeping | 767 | 754 |
| | Utilities | 2,085 | 2,327 |
| | Waste and recycling | 14,284 | 13,761 |
| | Other materials and services | 4,823 | 4,702 |
| | **Total materials and services** | 47,716 | 45,486 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **NOTE 10** | **DEPRECIATION** | | |
| | Buildings | 4,801 | 4,781 |
| | Roads | 5,421 | 5,268 |
| | Drainage | 2,123 | 1,689 |
| | Land improvements | 2,307 | 2,198 |
| | Plant and machinery | 1,507 | 1,456 |
| | Equipment, furniture and fittings | 3,001 | 2,752 |
| | Other structures | 886 | 858 |
| | Art collection | 27 | 26 |
| | **Total depreciation** | 20,073 | 19,028 |
| **NOTE 11** | **INTEREST EXPENSE** | | |
| | Interest on loans and borrowings | 190 | 211 |
| | **Total interest expense** | 190 | 211 |
| **NOTE 12** | **OTHER EXPENSES** | | |
| | Bad and doubtful debts | 44 | 2 |
| | Community grants | 753 | 779 |
| | External audit fees | 61 | 60 |
| | Internal audit fees | 136 | 117 |
| | Lease rentals | 213 | 215 |
| | Library contributions | 4,152 | 3,905 |
| | Library - Vision Super Defined Benefit Scheme Fund call (WMRLC)* | 914 | - |
| | Metropolitan Fire Brigade levy | 2,229 | 2,066 |
| | Other expenses | 449 | 481 |
| | **Total other expenses** | 8,951 | 7,625 |

* Council is required to contribute the funding shortfall of Vision Super Defined Benefit Scheme fund for Whitehorse City Council's staff employed by the Whitehorse Manningham Regional Library Corporation (WMRLC). The expense is classified as 'Other expenses' in line with regular contributions to the library.

| | | | |
|---|---|---|---|
| **NOTE 13** | **NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT** | | |
| | ***Land and buildings*** | | |
| | Net proceeds from disposal of assets | 126 | 55 |
| | Written down value of assets disposed* | (6,656) | (141) |
| | **Net gain/(loss) on disposal of land and buildings** | (6,530) | (86) |

* Includes demolition of Aqualink Box Hill swimming complex and Springfield Park pavilion which are being developed.

| | | |
|---|---|---|
| ***Plant, machinery and equipment*** | | |
| Net proceeds from disposal of assets | 1,200 | 1,047 |
| Written down value of assets disposed | (1,209) | (1,361) |
| **Net gain/(loss) on disposal of plant, machinery and equipment** | (9) | (314) |
| ***Total*** | | |
| Net proceeds from disposal of assets | 1,326 | 1,102 |
| Written down value of assets disposed | (7,865) | (1,502) |
| **Total net gain/(loss) on disposal of property, infrastructure, plant and equipment** | (6,539) | (400) |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **NOTE 14** | **SHARE OF NET GAIN/(LOSS) OF ASSOCIATES** | | |
| | Regional Landfill Clayton South (Note 18(a)) | 345 | 312 |
| | Whitehorse Manningham Regional Library Corporation (Note 18(b)) | (501) | 207 |
| | Narre Warren User Group (Note 18(c)) | 33 | 46 |
| | **Total share of net gain/(loss) of associates** | (123) | 565 |
| **NOTE 15** | **CASH AND CASH EQUIVALENTS** | | |
| | Cash at bank and on hand | 3,919 | 7,667 |
| | Term deposits | 80,521 | 70,226 |
| | **Total cash and cash equivalents for the purpose of the Cash Flow Statement** | 84,440 | 77,893 |

Cash contained in reserves are subject to conditions established by Council resolution. Funds can only be accessed when principles are met. Refer to Note 24(c).

| | | | |
|---|---|---|---|
| **NOTE 16** | **TRADE AND OTHER RECEIVABLES** | | |
| | **Current** | | |
| | Rates debtors | 2,357 | 1,965 |
| | Community loan - Nunawading Gymnastics and Sports Club | 3 | 3 |
| | Provision for doubtful debts - community loan | (1) | (1) |
| | Unsecured loans and advances | 49 | 48 |
| | Parking debtors | 2,076 | 2,012 |
| | Provision for doubtful debts - parking debtors | (1,574) | (1,502) |
| | Other debtors | 4,722 | 5,272 |
| | Provision for doubtful debts - other debtors | (77) | (61) |
| | **Total trade and other receivables - current** | 7,555 | 7,736 |
| | **Non-current** | | |
| | Community loan - Nunawading Gymnastics and Sports Club | 89 | 92 |
| | Provision for doubtful debts - community loan | (45) | (48) |
| | Unsecured loans and advances | 81 | 150 |
| | **Total trade and other receivables - non-current** | 125 | 194 |
| **NOTE 17** | **OTHER CURRENT ASSETS** | | |
| | Prepayments | 1,438 | 630 |
| | Stores and materials | 27 | 28 |
| | Nursery plant stock | 147 | 107 |
| | **Total other current assets** | 1,612 | 765 |

## NOTE 18 INVESTMENTS IN ASSOCIATES

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| (a) Interest in Regional Landfill Clayton South | 1,979 | 2,058 |
| (b) Interest in Whitehorse Manningham Regional Library Corporation | 3,868 | 4,369 |
| (c) Interest in Narre Warren User Group | 822 | 789 |
| **Total investments in associates** | 6,669 | 7,216 |

**Valuations**
Valuations of investments described in this note are on the basis of Council's relevant share of each entity's net assets.

Valuations of investments in associates are based on Council's share of each entity's net assets.

**(a) Interest in Regional Landfill Clayton South**

Council holds an interest of 14.12% (2010/11:14.12%) in Regional Landfill Clayton South. The principal activity is the provision of a refuse disposal site for member Councils.

| | 2012 $000 | 2011 $000 |
|---|---|---|
| **Movement in carrying value of investment** | | |
| Carrying value of investment at 1 July | 2,058 | 2,170 |
| Share of surplus for the year | 586 | 314 |
| Dividends from associate | (424) | (424) |
| Share of movement in reserves for the year | (241) | - |
| Amendment to share of surplus based on audited results | - | (2) |
| **Carrying value of investment at 30 June** | 1,979 | 2,058 |
| | | |
| **Share of accumulated surplus** | | |
| Share of accumulated surplus at 1 July | 1,729 | 1,841 |
| Share of surplus for the year | 586 | 314 |
| Dividends from associate | (424) | (424) |
| Amendment to share of surplus based on audited results | - | (2) |
| **Share of accumulated surplus at 30 June** | 1,891 | 1,729 |
| | | |
| **Share of reserves** | | |
| Share of reserves at 1 July | 329 | 329 |
| Share of reserves for the year | (241) | - |
| **Share of reserves at 30 June** | 88 | 329 |
| | | |
| **Share of Regional Landfill Clayton South** | | |
| | | |
| Current assets | 1,161 | 852 |
| Non-current assets | 1,271 | 1,479 |
| **Total assets** | 2,432 | 2,331 |
| Current liabilities | 304 | 147 |
| Non-current liabilities | 149 | 126 |
| **Total liabilities** | 453 | 273 |
| **Net assets** | 1,979 | 2,058 |
| | | |
| Revenue | 2,079 | 1,378 |
| Expenses | (1,493) | (1,064) |
| **Surplus for the year** | 586 | 314 |

## NOTE 18 INVESTMENTS IN ASSOCIATES (CONTINUED)

### (b) Interest in Whitehorse Manningham Regional Library Corporation

On 21 December 1995 Council's library operation was combined with the Regional Authority to form Whitehorse Manningham Regional Library Corporation (the Corporation). Council has a 60% interest (as per funding responsibilities) and a 72.54% (2010/11: 71.69%) economic entitlement in the net assets of the Corporation but does not have effective control, as both Whitehorse and Manningham councils possess the same voting rights on the board of management. The Corporation is established by agreement between the two participating councils. The principal activity of the Corporation is the lending of books and other materials.

| | 2012 $000 | 2011 $000 |
|---|---|---|
| **Movement in carrying value of investment** | | |
| Carrying value of investment at 1 July | 4,369 | 4,162 |
| Share of surplus (deficit) for the year | (553) | 181 |
| Change in share of economic entitlement | 52 | 29 |
| Amendment to share of surplus based on audited results | - | (3) |
| **Carrying value of investment at 30 June** | 3,868 | 4,369 |
| | | |
| **Share of accumulated surplus** | | |
| Share of accumulated surplus at 1 July | 1,557 | 1,370 |
| Share of surplus (deficit) for the year | (553) | 181 |
| Change in share of economic entitlement | 19 | 9 |
| Amendment to share of surplus based on audited results | - | (3) |
| **Share of accumulated surplus at 30 June** | 1,023 | 1,557 |
| | | |
| **Share of contributed capital** | | |
| Share of contributed capital at 1 July | 2,812 | 2,792 |
| Change in share of economic entitlement | 33 | 20 |
| **Share of contributed capital at 30 June** | 2,845 | 2,812 |
| | | |
| **Share of Whitehorse Manningham Regional Library Corporation** | | |
| | | |
| Current assets | 1,798 | 2,135 |
| Non-current assets | 4,942 | 3,921 |
| **Total assets** | 6,740 | 6,056 |
| Current liabilities | 2,794 | 1,550 |
| Non-current liabilities | 78 | 137 |
| **Total liabilities** | 2,872 | 1,687 |
| **Net assets** | 3,868 | 4,369 |
| | | |
| Revenue | 7,654 | 6,729 |
| Expenses | (8,207) | (6,548) |
| **Surplus (deficit) for the year** | (553) | 181 |

### (c) Interest in Narre Warren User Group

Council holds an interest of 48.88% (2010/11: 48.88%) in Narre Warren User Group (NWUG). The principal activity of NWUG is to monitor the closed regional landfill that was previously used by Council. Contributions by Council to NWUG during the period totalled nil (2010/11: nil). Council holds the cash investment for NWUG and surplus is generated from the interest less site monitoring costs.

| | 2012 $000 | 2011 $000 |
|---|---|---|
| **Movement in carrying value of investment** | | |
| Carrying value of investment at 1 July | 789 | 743 |
| Share of surplus for the year | 33 | 46 |
| **Carrying value of investment at 30 June** | 822 | 789 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **NOTE 19** | **PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT** | | |
| | **(a) Property** | | |
| | **Land** | | |
| | At fair value - council valuation at 30 June 2010 (i) | 1,148,224 | 1,148,230 |
| | At cost | 4,928 | 1,557 |
| | **Total land - carrying amount** | 1,153,152 | 1,149,787 |
| | **Buildings** | | |
| | At fair value - council valuation at 30 June 2010 (i) | 330,118 | 342,056 |
| | Less: accumulated depreciation | (138,949) | (139,570) |
| | At fair value - carrying amount | 191,169 | 202,486 |
| | At cost | 15,541 | 8,788 |
| | Less: accumulated depreciation | (144) | (11) |
| | At cost - carrying amount | 15,397 | 8,777 |
| | **Total buildings - carrying amount** | 206,566 | 211,263 |
| | **Total property - carrying amount** | 1,359,718 | 1,361,050 |

(i) The 30 June 2010 valuation of land and buildings was a fair value review and was determined by Council's Manager of Property and Rates, Mr Tony Peak AAPI Certified Practising Valuer. It should be noted that properties with special use or recreational zonings attracted a land value discount within the range of 15% to 25%.

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| **(b) Infrastructure** | | |
| **Roads** | | |
| Roads comprise of the following asset categories: road substructures, road seals, footpaths, kerbs and channels and other road assets. | | |
| **Road substructures** | | |
| At fair value - council valuation at 30 June 2010 (ii) | 113,747 | 113,747 |
| Less: accumulated depreciation | (33,275) | (32,513) |
| At fair value - carrying amount | 80,472 | 81,234 |
| At cost | 1,989 | 647 |
| Less: accumulated depreciation | (7) | (1) |
| At cost - carrying amount | 1,982 | 646 |
| **Total road substructure - carrying amount** | 82,454 | 81,880 |
| **Road seals** | | |
| At fair value - council valuation at 30 June 2010 (ii) | 59,832 | 59,832 |
| Less: accumulated depreciation | (7,341) | (5,127) |
| At fair value - carrying amount | 52,491 | 54,705 |
| At cost | 5,255 | 3,352 |
| Less: accumulated depreciation | (131) | (10) |
| At cost - carrying amount | 5,124 | 3,342 |
| **Total road seals - carrying amount** | 57,615 | 58,047 |

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| NOTE 19 | PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED) | | |
| | **(b) Infrastructure (continued)** | | |
| | **Footpaths** | | |
| | At fair value - council valuation at 30 June 2010 (ii) | 82,181 | 82,181 |
| | Less: accumulated depreciation | (40,057) | (39,145) |
| | At fair value - carrying amount | 42,124 | 43,036 |
| | At cost | 4,829 | 2,091 |
| | Less: accumulated depreciation | (28) | (2) |
| | At cost - carrying amount | 4,801 | 2,089 |
| | **Total footpaths - carrying amount** | 46,925 | 45,125 |
| | **Kerbs and channels** | | |
| | At fair value - council valuation at 30 June 2010 (ii) | 82,622 | 82,622 |
| | Less: accumulated depreciation | (26,086) | (25,259) |
| | At fair value - carrying amount | 56,536 | 57,363 |
| | At cost | 263 | 142 |
| | Less: accumulated depreciation | (2) | - |
| | At cost - carrying amount | 261 | 142 |
| | **Total kerbs and channels - carrying amount** | 56,797 | 57,505 |
| | **Other road assets** | | |
| | At fair value - council valuation at 30 June 2010 (ii) | 28,048 | 28,049 |
| | Less: accumulated depreciation | (12,072) | (11,531) |
| | At fair value - carrying amount | 15,976 | 16,518 |
| | At cost | 1,242 | 195 |
| | Less: accumulated depreciation | (11) | (1) |
| | At cost - carrying amount | 1,231 | 194 |
| | **Total other road assets - carrying amount** | 17,207 | 16,712 |
| | **Total roads** | | |
| | At fair value - carrying amount | 247,599 | 252,856 |
| | At cost - carrying amount | 13,399 | 6,413 |
| | **Total roads - carrying amount** | 260,998 | 259,269 |
| | **Drainage** | | |
| | At fair value - council valuation at 30 June 2011 (iii) | 212,284 | 212,284 |
| | Less: accumulated depreciation | (92,271) | (90,151) |
| | At fair value - carrying amount | 120,013 | 122,133 |
| | At cost | 3,435 | - |
| | Less: accumulated depreciation | (3) | - |
| | At cost - carrying amount | 3,432 | - |
| | **Total drainage - carrying amount** | 123,445 | 122,133 |
| | **Land improvements** | | |
| | At cost | 120,130 | 118,735 |
| | Less: accumulated depreciation | (26,344) | (24,037) |
| | **Total land improvements - carrying amount** | 93,786 | 94,698 |
| | **Total infrastructure - carrying amount** | 478,229 | 476,100 |

NOTE 19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

**(b) Infrastructure (continued)**

(ii) The 30 June 2010 valuation of roads at written down replacement cost (which included pavement, substructure, kerb and channel, footpaths and traffic management devices) was undertaken by Council's Manager of Engineering and Environmental Services, Mr Ian Goodes Dip CE, Grad Dip Mun. Eng. and Man., MIE Aust, CPEng. It should be noted that in calculating the written down replacement cost of roads that valuations of infrastructure assets were made using a greenfields assumption, that is destruction costs of existing assets and site restoration costs are excluded.

(iii) The 30 June 2011 valuation of drainage at written down replacement cost was undertaken by Council's Manager of Engineering and Environmental Services, Mr Ian Goodes Dip CE, Grad Dip Mun. Eng. and Man., MIE Aust, CPEng. It should be noted that in calculating the written down replacement cost of drainage that valuations of infrastructure assets were made using a greenfields assumption, that is destruction costs of existing assets and site restoration costs are excluded.

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| **(c) Plant and equipment** | | |
| **Plant and machinery** | | |
| At cost | 13,224 | 12,418 |
| Less: accumulated depreciation | (5,371) | (5,113) |
| **Total plant and machinery - carrying amount** | 7,853 | 7,305 |
| **Equipment, furniture and fittings** | | |
| At cost | 33,248 | 31,880 |
| Less: accumulated depreciation | (22,872) | (20,178) |
| **Total equipment, furniture and fittings - carrying amount** | 10,376 | 11,702 |
| **Other structures** | | |
| At cost | 15,192 | 14,812 |
| Less: accumulated depreciation | (8,673) | (7,788) |
| **Total other structures - carrying amount** | 6,519 | 7,024 |
| **Art collection** | | |
| At cost | 2,569 | 2,520 |
| Less: accumulated depreciation | (160) | (133) |
| **Total art collection - carrying amount** | 2,409 | 2,387 |
| **Total plant and equipment - carrying amount** | 27,157 | 28,418 |
| **(d) Works in progress** | | |
| At cost | 11,220 | 4,067 |
| **Total property, infrastructure, plant and equipment - carrying amount** | 1,876,324 | 1,869,635 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

| 2012 | Balance at 1 July 2011 $'000 | Acquisitions and Additions $'000 | Disposals $'000 | Depreciation $'000 | Revaluations: increments (decrements) $'000 | Non-capital items expensed $'000 | Transfers in $'000 | Transfers out $'000 | Balance at 30 June 2012 $'000 |
|---|---|---|---|---|---|---|---|---|---|
| **Property** | | | | | | | | | |
| Land | 1,149,787 | 3,371 | (6) | - | - | - | - | - | 1,153,152 |
| Buildings | 211,264 | 5,700 | (6,650) | (4,801) | - | - | 1,053 | - | 206,566 |
| **Total property** | 1,361,051 | 9,071 | (6,656) | (4,801) | - | - | 1,053 | - | 1,359,718 |
| **Infrastructure** | | | | | | | | | |
| Roads | 259,269 | 7,103 | - | (5,421) | - | - | 47 | - | 260,998 |
| Drainage | 122,133 | 3,347 | - | (2,123) | - | - | 88 | - | 123,445 |
| Land improvements | 94,698 | 1,382 | - | (2,307) | - | - | 13 | - | 93,786 |
| **Total infrastructure** | 476,100 | 11,832 | - | (9,851) | - | - | 148 | - | 478,229 |
| **Plant and equipment** | | | | | | | | | |
| Plant and machinery | 7,305 | 3,264 | (1,209) | (1,507) | - | - | - | - | 7,853 |
| Equipment, furniture and fittings | 11,702 | 1,477 | - | (3,001) | - | - | 198 | - | 10,376 |
| Other structures | 7,024 | 381 | - | (886) | - | - | - | - | 6,519 |
| Art collection | 2,387 | 49 | - | (27) | - | - | - | - | 2,409 |
| **Total plant and equipment** | 28,418 | 5,171 | (1,209) | (5,421) | - | - | 198 | - | 27,157 |
| **Works in progress** | | | | | | | | | |
| Buildings | 2,851 | 4,500 | - | - | - | (331) | - | (1,053) | 5,967 |
| Roads | 175 | 86 | - | - | - | (68) | - | (47) | 146 |
| Drainage | 50 | 308 | - | - | - | 88 | - | (88) | 358 |
| Land improvements | 214 | 1,897 | - | - | - | (113) | - | (13) | 1,985 |
| Equipment, furniture and fittings | 777 | 339 | - | - | - | (14) | - | (198) | 904 |
| Other structures | - | 1,860 | - | - | - | - | - | - | 1,860 |
| **Total works in progress** | 4,067 | 8,990 | - | - | - | (438) | - | (1,399) | 11,220 |
| **Total property, infrastructure, plant and equipment - carrying amount** | 1,869,636 | 35,064 | (7,865) | (20,073) | - | (438) | 1,399 | (1,399) | 1,876,324 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 19 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONTINUED)

| 2011 | Balance at 1 July 2010 $'000 | Acquisitions and Additions $'000 | Disposals $'000 | Depreciation $'000 | Revaluations: increments (decrements) $'000 | Non-capital items expensed $'000 | Transfers in $'000 | Transfers out $'000 | Balance at 30 June 2011 $'000 |
|---|---|---|---|---|---|---|---|---|---|
| **Property** | | | | | | | | | |
| Land | 1,148,230 | 1,557 | - | - | - | - | - | - | 1,149,787 |
| Buildings | 207,397 | 7,026 | (141) | (4,781) | - | - | 1,762 | - | 211,263 |
| **Total property** | 1,355,627 | 8,583 | (141) | (4,781) | - | - | 1,762 | - | 1,361,050 |
| **Infrastructure** | | | | | | | | | |
| Roads | 258,110 | 6,387 | - | (5,268) | - | - | 40 | - | 259,269 |
| Drainage | 99,470 | 1,409 | - | (1,689) | 22,943 | - | - | - | 122,133 |
| Land improvements | 95,158 | 1,695 | - | (2,198) | - | - | 43 | - | 94,698 |
| **Total infrastructure** | 452,738 | 9,491 | - | (9,155) | 22,943 | - | 83 | - | 476,100 |
| **Plant and equipment** | | | | | | | | | |
| Plant and machinery | 7,657 | 2,465 | (1,361) | (1,456) | - | - | - | - | 7,305 |
| Equipment, furniture and fittings | 11,617 | 2,831 | - | (2,752) | - | - | 6 | - | 11,702 |
| Other structures | 7,367 | 513 | - | (858) | - | - | 2 | - | 7,024 |
| Art collection | 2,299 | 98 | - | (26) | - | - | 16 | - | 2,387 |
| **Total plant and equipment** | 28,940 | 5,907 | (1,361) | (5,092) | - | - | 24 | - | 28,418 |
| **Works in progress** | | | | | | | | | |
| Buildings | 2,652 | 1,961 | - | - | - | - | - | (1,762) | 2,851 |
| Roads | 40 | 175 | - | - | - | - | - | (40) | 175 |
| Drainage | - | 50 | - | - | - | - | - | - | 50 |
| Land improvements | 108 | 149 | - | - | - | - | - | (43) | 214 |
| Equipment, furniture and fittings | 289 | 494 | - | - | - | - | - | (6) | 777 |
| Other structures | 2 | - | - | - | - | - | - | (2) | - |
| Art collection | 16 | - | - | - | - | - | - | (16) | - |
| **Total works in progress** | 3,107 | 2,829 | - | - | - | - | - | (1,869) | 4,067 |
| **Total property, infrastructure, plant and equipment - carrying amount** | 1,840,412 | 26,810 | (1,502) | (19,028) | 22,943 | - | 1,869 | (1,869) | 1,869,635 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **NOTE 20** | **TRADE AND OTHER PAYABLES** | | |
| | Trade creditors and accruals | 14,364 | 12,229 |
| | Vision Super Defined Benefit Scheme call (WMRLC)* | 914 | - |
| | **Total trade and other payables** | 15,278 | 12,229 |

* Council is required to contribute the funding shortfall of Vision Super Defined Benefit Scheme fund for Whitehorse City Council's staff employed by the Whitehorse Manningham Regional Library Corporation (WMRLC). Council is intending to pay it's contribution in the 2012/13 financial year.

| | | | |
|---|---|---|---|
| **NOTE 21** | **TRUST FUNDS AND DEPOSITS** | | |
| | Trust funds and deposits: | | |
| | Narre Warren User Group | 1,883 | 1,614 |
| | Deposits for asset protection | 2,623 | 2,358 |
| | Other deposits | 803 | 773 |
| | **Total trust funds and deposits** | 5,209 | 4,745 |
| **NOTE 22** | **INTEREST BEARING LOANS AND BORROWINGS** | | |
| | **Current** | | |
| | Loans and borrowings - secured | 279 | 256 |
| | **Total interest bearing loans and borrowings - current** | 279 | 256 |
| | **Non-current** | | |
| | Loans and borrowings - secured | 1,813 | 2,092 |
| | **Total interest bearing loans and borrowings - non-current** | 1,813 | 2,092 |
| | **The maturity profile for Council's borowings is:** | | |
| | Not later than one year | 279 | 256 |
| | Later than one year and not later than five years | 1,387 | 1,274 |
| | Later than five years | 426 | 818 |
| | **Total** | 2,092 | 2,348 |
| **NOTE 23** | **EMPLOYEE BENEFITS** | | |
| | **Current** | | |
| | Annual leave | 4,306 | 3,987 |
| | Long service leave | 7,065 | 6,673 |
| | Vision Super Defined Benefit Scheme Fund - unfunded liability call* | 10,386 | - |
| | **Total employee benefits - current** | 21,757 | 10,660 |
| | **Non-current** | | |
| | Long service leave | 717 | 564 |
| | **Total employee benefits - non-current** | 717 | 564 |

* Council is intending to pay it's unfunded liability call in the 2012/13 financial year.

The following assumptions were adopted in measuring the present value of employee benefits:

| | | |
|---|---|---|
| Weighted average increase in employee costs | 4.0% | 3.5% |
| Weighted average discount rates | 3.08 | 5.50 |
| Weighted average settlement period | 7 years | 7 years |

**Superannuation**

Council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (Vision Super). Obligations for contributions are recognised as an expense in surplus or deficit when they are due. The Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 23 EMPLOYEE BENEFITS (CONTINUED)

***Employer contributions***

Details of employer contributions to the Vision Super during the year and contributions payable at reporting date are shown below. Vision Super acts as a clearing house for employer contributions to other superannuation funds.

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| **Defined benefit funds** | | |
| Employer contributions to Local Authorities Superannuation Fund (Vision Super)* | 514 | 2,745 |
| **Total defined benefits funds** | 514 | 2,745 |
| | | |
| Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date | 10,386 | - |
| **Total defined benefits payable at 30 June** | 10,386 | - |

* The previous unfunded liability call of $2.2m was paid within the 2010/11 financial year.

| | | |
|---|---|---|
| **Accumulation funds** | | |
| Vision Super | 2,364 | 2,228 |
| AMP | 29 | 17 |
| Hesta | 157 | 127 |
| Cbus | 37 | 32 |
| Other | 567 | 466 |
| **Total accumulation funds** | 3,154 | 2,870 |
| | | |
| Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date | 249 | 294 |
| | 249 | 294 |
| | | |
| Employer contributions payable to: | | |
| AMP | 6 | 3 |
| Hesta | 14 | 12 |
| Cbus | 3 | 4 |
| Other | 67 | 56 |
| | 90 | 75 |

***Accumulation fund***

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

***Defined benefit scheme fund***

The Fund's defined benefit plan is a multi-employer sponsored plan. The fund was closed to new members from 31 December 1993. As the defined benefit plan's assets and liabilities are pooled and are not allocated by the employer, the Actuary is unable to reliably allocate benefit liabilities, assets and costs between employers. As provided under AASB 119 paragraph 32(b), Council does not use defined benefit accounting for these contributions.

Local Authorities Superannuation Fund is a 'regulated fund' under the provisions of the Superannuation Industry (Supervision) Act 1993 ('SIS'). In accordence with the SIS Act, actuarial investigations are required at intervals not more than three years.

## NOTE 23 EMPLOYEE BENEFITS (CONTINUED)

***Defined benefit scheme fund (continued)***

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 31 December 2011, Council makes the following contributions:

- 9.25% of members' salaries (same as previous year); and
- the difference between resignation and retrenchment benefits paid to any retrenched employees, plus contribution tax (same as previous year).

The Fund surplus or deficit (i.e. the difference between fund assets and liabilities) is calculated differently for funding purposes (i.e. calculating required contributions) and for the calculation of accrued benefits as required by AAS 25 to provide the values needed for the AASB 119 disclosure in Council's financial statements. AAS 25 requires the present value of the defined benefit liability to be calculated based on the benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

Assessing the financial position of the Defined Benefit plan involves the calculation of various indices of benefits compared to assets. These include 'Vested Benefits Index' (VBI) and the 'Discounted Accrued Benefits Index' (DABI).

Following a planned actuarial review, finalised in late 2010, the funding shortfall of $71 million for the whole fund still existed. Whitehorse City Council was required to pay $2.208 million as our share of the shortfall. This included Whitehorse staff employed by the Whitehorse Manningham Regional Library Corporation. Whitehorse paid its contribution on the 31 May 2011 being an earlier lower cost option.

The Local Authorities Superannuation Fund latest (31 December 2011) actuarial investigation identified an unfunded liability of $406 million excluding contributions tax in the defined benefit fund of which we are a member. Council was made aware of the expected shortfall through the year and was informed formally of their share of the shortfall on 2 August 2012 which amounted to $10.4 million including contributions tax. Council were separately advised that their share of liability for Whitehorse staff employed by the Whitehorse Manningham Regional Library Corporation (WMRLC) was $0.914 million including contributions tax. The shortfall is due to paid by Council on 1 July 2013. Council has elected to pay its shortfall by lump sum within 12 months of the due date being a lower cost option.

Council has accounted for this shortfall in the Comprehensive Income Statement in 'Employee benefits' (See Note 8) for Whitehorse staff and 'Other expenses' (See note 12) for Whitehorse staff employed by the WMRLC and in the Balance Sheet in 'Employee Benefits - current' (See Note 23) and 'Trade and other payables' (See Note 20) for Whitehorse staff employed by the WMRLC.

The financial assumptions used to calculate the accrued benefits for the defined benefit scheme category of the Fund were:

| | |
|---|---|
| Net investment return | 8.50% p.a. |
| Salary inflation | 4.25% p.a. |
| Price inflation | 2.75% p.a. |

## NOTE 24 ACCUMULATED SURPLUS AND RESERVES

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| **(a) Accumulated surplus** | | |
| Accumulated surplus at 1 July | 654,387 | 648,749 |
| Surplus for the year | (1,221) | 6,704 |
| Transfers from other reserves | 2,606 | 4,100 |
| Transfers to other reserves | (4,250) | (5,166) |
| **Accumulated surplus at 30 June** | 651,522 | 654,387 |
| **(b) Asset revaluation reserve** | | |
| Asset revaluation reserve at 1 July | 1,228,638 | 1,205,695 |
| Revaluation of property, infrastructure, plant and equipment | - | 22,943 |
| **Asset revaluation reserve at 30 June** | 1,228,638 | 1,228,638 |
| **Breakdown by asset class** | | |
| Land | 924,214 | 924,214 |
| Buildings | 122,504 | 122,504 |
| Roads | 101,155 | 101,155 |
| Drainage | 61,292 | 61,292 |
| Land Improvements | 14,077 | 14,077 |
| Plant and machinery | 2,070 | 2,070 |
| Equipment, furniture and fittings | 737 | 737 |
| Other structures | 729 | 729 |
| Art collection | 597 | 597 |
| Regional Landfill Clayton South | 1,263 | 1,263 |
| **Asset revaluation reserve** | 1,228,638 | 1,228,638 |

This reserve is used to record increments and decrements on the revaluation of non-current assets, as described in Note 1(h). Refer to Note 19 for movement in property, infrastructure, plant and equipment by asset class, including revaluations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| NOTE 24 | ACCUMULATED SURPLUS AND RESERVES (CONTINUED) | | |
| | **(c) Other reserves** | | |
| | **(i) Public open space reserve** | | |
| | Balance at 1 July | 3,458 | 2,595 |
| | Transfer from accumulated surplus | 1,412 | 999 |
| | Transfer to accumulated surplus | (1,104) | (136) |
| | **Balance at 30 June** | 3,766 | 3,458 |
| | **(ii) Public open space reserve - land acquisitions** | | |
| | Balance at 1 July | 224 | 249 |
| | Transfer from accumulated surplus | 1,826 | 1,267 |
| | Transfer to accumulated surplus | (1,203) | (1,292) |
| | **Balance at 30 June** | 847 | 224 |
| | **(iii) Council development reserve** | | |
| | Balance at 1 July | 28,997 | 29,713 |
| | Transfer from accumulated surplus | - | 1,871 |
| | Transfer to accumulated surplus | (92) | (2,587) |
| | **Balance at 30 June** | 28,905 | 28,997 |
| | **(iv) Aged care reserve** | | |
| | Balance at 1 July | 17,152 | 16,208 |
| | Transfer from accumulated surplus | 1,012 | 1,029 |
| | Transfer to accumulated surplus | (207) | (85) |
| | **Balance at 30 June** | 17,957 | 17,152 |
| | **(v) Car parking in lieu reserve** | | |
| | Balance at 1 July | 34 | 34 |
| | **Balance at 30 June** | 34 | 34 |
| | **(vi) Art collection reserve** | | |
| | Balance at 1 July | 3 | 3 |
| | **Balance at 30 June** | 3 | 3 |
| | **Total other reserves** | 51,512 | 49,868 |

**(i) Public open space reserve**
This reserve comprises funds collected from contributions to public open space made by developers. The funds in this reserve are restricted for expenditure on public open space.

**(ii) Public open space reserve - land acquisitions**
This reserve comprises funds collected from contributions to public open space made by developers. The funds in this reserve are restricted for expenditure on public open space, specifically land acquisitions. Interest income generated from the reserve is to be reinvested back into the reserve.

**(iii) Council development reserve**
This reserve is used for funding capital works programs and for proceeds from sale of assets no longer required by Council. The funds in this reserve are required to be expended in accordance with the reserve governing principles established by Council.

**(iv) Aged care reserve**
This reserve holds in trust the net proceeds secured from the sale as a "going concern" of Council's residential aged care facilities. Access to this reserve must have a legitimate relevance to the aged and disability related groups and must be consistent with the healthy positive ageing strategy adopted by Council in 2005/06. Interest income generated from the reserve is to be reinvested back into the reserve.

**(v) Car parking in lieu reserve**
This reserve comprises funds provided by developers instead of providing car parking. The funds from this reserve are restricted for expenditure on car parking.

**(vi) Art collection reserve**
This reserve was established by Council in 2002/03 for the purpose of de-accessioning unwanted art works and for future purchases of art works.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **NOTE 25** | **RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| | Surplus for the year | (1,221) | 6,704 |
| | Adjustments for: | | |
| | Contributions - non-monetary (Note 5(b)) | (3,712) | (564) |
| | Grants and subsidies - non-recurrent (inclusive of GST) | (3,937) | (842) |
| | Contributions - monetary (inclusive of GST) | (390) | (780) |
| | Depreciation (Note 10) | 20,073 | 19,028 |
| | Net loss on disposal of property, infrastructure, plant and equipment (Note 13) | 6,539 | 400 |
| | Share of net (gain)/loss of associates (Note 14) | 123 | (565) |
| | | 17,475 | 23,381 |
| | **Change in assets and liabilities** | | |
| | Change in trade and other receivables | 250 | (604) |
| | Change in other current assets | (410) | (417) |
| | Change in trade and other payables | 3,239 | (996) |
| | Change in trust funds and deposits | 464 | 896 |
| | Change in employee benefits | 11,250 | 494 |
| | **Net cash provided by operating activities** | 32,268 | 22,754 |
| **NOTE 26** | **FINANCING ARRANGEMENTS** | | |
| | Bank overdraft facility | 1,100 | 1,100 |
| | Used facilities | - | - |
| | **Unused facilities** | 1,100 | 1,100 |
| **NOTE 27** | **RESTRICTED ASSETS** | | |
| | **Statutory** | | |
| | Long service leave * | 7,372 | 6,909 |
| | Public open space reserve | 4,613 | 3,682 |
| | Car parking in lieu reserve | 34 | 34 |
| | | 12,019 | 10,625 |
| | **Council Resolution** | | |
| | Aged care reserve | 17,957 | 17,152 |
| | Community development reserve | 28,905 | 28,997 |
| | | 46,862 | 46,149 |
| | **Other** | | |
| | Narre Warren User Group | 1,683 | 1,614 |
| | | 1,683 | 1,614 |
| | **Total restricted assets** | 60,564 | 58,388 |

* The new Local Government (Long Service Leave) Regulations 2012 no longer contain a requirement to establish or maintain a "Long Service Leave Account" or record the funds as a restricted asset as at 30 June 2012. Council continues to account for these funds separately so as to clearly identified and provided for future obligations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 28 COMMITMENTS

Council has entered into the following commitments:

| 2012 | Less than 1 year $'000 | 1 year and not later than 2 years $'000 | Between 2 - 5 years $'000 | More than 5 years $'000 | Total $'000 |
|---|---|---|---|---|---|
| **External service providers** | | | | | |
| Street sweeping | 860 | 1,810 | 3,480 | - | 6,150 |
| Tree pruning | 1,653 | 2,151 | - | - | 3,804 |
| Cleaning of Council buildings | 488 | 507 | 452 | - | 1,447 |
| Maintenance of Council assets | 708 | 185 | - | - | 893 |
| Professional services | 182 | 247 | - | - | 429 |
| **Total external service provider commitments** | 3,891 | 4,900 | 3,932 | - | 12,723 |
| **Capital** | | | | | |
| Buildings | 23,030 | 12,330 | - | - | 35,360 |
| Equipment | 173 | 172 | - | - | 345 |
| **Total capital commitments** | 23,203 | 12,502 | - | - | 35,705 |

| 2011 | Less than 1 year $'000 | 1 year and not later than 2 years $'000 | Between 2 - 5 years $'000 | More than 5 years $'000 | Total $'000 |
|---|---|---|---|---|---|
| **External service providers** | | | | | |
| Hard and green waste collection | 289 | - | - | - | 289 |
| Street sweeping | 92 | - | - | - | 92 |
| Tree pruning | 1,817 | 2,812 | 991 | - | 5,620 |
| Cleaning of Council buildings | 942 | 591 | 362 | 271 | 2,166 |
| Maintenance of Council assets | 631 | 589 | - | - | 1,220 |
| Professional services | 539 | 66 | - | - | 605 |
| Other services | 1 | - | - | - | 1 |
| **Total external service provider commitments** | 4,311 | 4,058 | 1,353 | 271 | 9,993 |
| **Capital** | | | | | |
| Buildings | 1,264 | - | 182 | - | 1,446 |
| Equipment | 1,421 | - | - | - | 1,421 |
| **Total capital commitments** | 2,685 | - | 182 | - | 2,867 |

During the year, Council's contract with external service providers for garbage, recycling and green waste collection changed to a 'Schedule of Rates' contract. This means that the external service providers charge a unit cost for each bin collected rather than a contracted amount. As there is no longer any contract commitment with these external service providers, they have not been included in the current year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

| | 2012 $'000 | 2011 $'000 |
|---|---|---|

## NOTE 29 OPERATING LEASES

### (a) Operating lease commitments

At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

| | | |
|---|---|---|
| Not later than one year | 361 | 351 |
| Later than one year and not later than five years | 158 | 288 |
| Later than five years | - | - |
| | 519 | 639 |

### (b) Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

| | | |
|---|---|---|
| Not later than one year | 466 | 448 |
| Later than one year and not later than five years | 96 | 92 |
| Later than five years | 51 | 49 |
| | 613 | 589 |

## NOTE 30 CONTINGENT LIABILITIES

### (a) Guarantees of loans to other entities

Council has guaranteed bank loans for certain community bodies. Council's liability under its guarantee is listed below:

| | Loan balance outstanding 2012 $'000 | Loan guarantee limit 2012 $'000 | Loan balance outstanding 2011 $'000 | Loan guarantee limit 2011 $'000 |
|---|---|---|---|---|
| Bluebell Hill Tennis Club | 10 | 23 | 16 | 28 |
| Elgar Park Regional Hockey | - | - | - | 48 |
| Vermont South Club | 284 | 310 | 292 | 310 |
| Vermont Sports Club | 66 | 78 | 85 | 92 |
| The Whitehorse Club | 451 | 500 | 462 | 500 |
| | 811 | 911 | 855 | 978 |

### (b) Arising from public liability

As a local authority with ownership of numerous parks, reserves, roads and other land holdings, Council regularly receives claims and demands allegedly arising from incidents which occur on land belonging to Council. There are a number of outstanding claims against Council in this regard. Council carries $400 million of public liability insurance and had an excess of $10,000 on this policy in 2011/12. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is MAV Insurance. There are no claims of which Council is aware which would fall outside the terms of Council's policy.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

**NOTE 30 CONTINGENT LIABILITIES (CONTINUED)**

**(c) Arising from professional indemnity**

As a local authority with statutory regulatory responsibilities, including the responsibility of issuing permits and approvals, Council receives claims and demands for damages allegedly arising from actions of Council or its officers. Council carries $300 million of professional indemnity insurance and had an excess of $10,000 on this policy in 2011/12. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is MAV Insurance. There are no instances or claims of which Council is aware which would fall outside the terms of Council's policy.

**(d) Arising from legal matters**

Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

**(e) Other contingent liabilities**

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 31 FINANCIAL INSTRUMENTS

### (a) Accounting policy, terms and conditions

| | Note | Accounting policy | Terms and conditions |
|---|---|---|---|
| **Financial assets** | | | |
| Cash and cash equivalents | 15 | Investments are held to maximise interest returns of surplus cash. Cash at bank and on hand and the money market call account are valued at face value. Cash managed funds are measured at market value.<br>Interest income is recognised as it accrues. | On call deposits returned a floating interest rate of between 3.70% and 4.95% (2010/11: 4.55% and 4.95%). The interest rate at balance date was 3.70% (2010/11: 4.95%).<br>Term deposits returned a fixed interest rate of between 4.60% and 6.65% (2010/11: 4.00% and 6.65%).<br>No cash managed funds were held in 2011/12. Funds held in 2010/11 returns of between 4.45% and 5.19%. |
| Trade and other receivables | 16 | Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing<br>For the purpose of this note, rates debtors and parking debtors are excluded as they are not considered financial instruments. | General debtors are unsecured. General debtors in arrears attract an interest rate of 10.5% (2010/11: 10.5%). Credit terms are based on 30 days. |
| **Financial liabilities** | | | |
| Trade and other payables | 20 | Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. | General creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice date. |
| Interest bearing loans and borrowings | 22 | Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables. | Borrowings are secured by way of mortgages over the general rates of Council. The fixed interest rate on borrowings is 8.49% (2010/11: 8.49%). |
| Bank overdraft | | Overdrafts are recognised at the principal amount. Interest is charged as an expense as it accrues. | The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates and is repayable on demand. The interest rate on the bank overdraft facility was between 8.87% and 9.76%. No interest was incurred in the current or the prior year as the bank overdraft facility was not used. |

## NOTE 31 FINANCIAL INSTRUMENTS (CONTINUED)

### (b) Risks and mitigation

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

**Credit risk**

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our Balance Sheet.

To help manage this risk:
- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with Council's financial assets is minimal because the main debtor is the Victorian Government. Apart from the Victorian Government we do not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised.

We may also be subject to credit risk for transactions which are not included in the Balance Sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 30.

**Liquidity risk**

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:
- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover financial assets at all.

To help reduce these risks we:
- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- monitor budget to actual performance on a regular basis; and
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

**Market risk**

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which we are exposed are discussed below.

**Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:
- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Planning and Community Development each year.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act (1989)*
We manage interest rate risk by adopting an investment policy that ensures:
- conformity with state and federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

## NOTE 31 FINANCIAL INSTRUMENTS (CONTINUED)

### (c) Credit risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is represented by the carrying amount of those assets as indicated in the Balance Sheet.

**Ageing of trade and other receivables**

At balance date, none of Council's loans and advances were past due (2010/11: nil). Other debtors relate to a number of independent customers for whom there is no recent history of default. The ageing of Council's other debtors at the reporting date was.

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| Current (not yet due) | 3,867 | 4,892 |
| 30-60 days | 639 | 191 |
| 61-90 days | 33 | 52 |
| Over 90 days | 183 | 137 |
| **Other debtors** | 4,722 | 5,272 |

**Ageing of individually impaired trade and other receivables**

At balance date, other debtors representing financial assets with a nominal value of $77,000 (2010/11: $61,000) were impaired. The amount of the provision raised against these debtors was $77,000 (2010/11: $61,000). The individually impaired debtors have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of other debtors that have been individually determined as impaired at reporting date was:

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| Current (not yet due) | - | - |
| 30-60 days | - | - |
| 61-90 days | - | - |
| Over 90 days | 77 | 61 |
| **Provision for doubtful debts - other debtors** | 77 | 61 |

**Movement in provision for doubtful debts - other debtors**

| | 2012 $'000 | 2011 $'000 |
|---|---|---|
| Balance at 1 July | 61 | 75 |
| New provisions recognised during the year | 49 | - |
| Amounts already provided for and written off as uncollectible | (28) | - |
| Amounts provided for but recovered during the year | (5) | (14) |
| **Balance at 30 June** | 77 | 61 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 31 FINANCIAL INSTRUMENTS (CONTINUED)

### (d) Liquidity risk

The table below lists the contractual maturities for financial liabilities. These amounts represent undiscounted gross payments including both principal and interest amounts.

| | 6 mths or less $'000 | 6 - 12 months $'000 | 1 - 2 years $'000 | 2 - 5 years $'000 | > 5 years $'000 | Contracted cash flow $'000 | Carrying amount $'000 |
|---|---|---|---|---|---|---|---|
| **2012** | | | | | | | |
| Trade and other payables | 14,364 | 914 | - | - | - | 15,278 | 15,278 |
| Trust funds and deposits | 5,209 | - | - | - | - | 5,209 | 5,209 |
| Interest bearing loans and borrowings | 223 | 223 | 446 | 1,338 | 446 | 2,676 | 2,092 |
| Employee Benefits (Vision Super Call) | 10,386 | - | - | - | - | 10,386 | 10,386 |
| **Total financial liabilities** | 30,182 | 1,137 | 446 | 1,338 | 446 | 33,549 | 32,965 |
| **2011** | | | | | | | |
| Trade and other payables | 12,229 | - | - | - | - | 12,229 | 12,229 |
| Trust funds and deposits | 4,745 | - | - | - | - | 4,745 | 4,745 |
| Interest bearing loans and borrowings | 223 | 223 | 446 | 1,338 | 892 | 3,122 | 2,348 |
| **Total financial liabilities** | 17,197 | 223 | 446 | 1,338 | 892 | 20,096 | 19,322 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 31 FINANCIAL INSTRUMENTS (CONTINUED)

### (e) Interest rate risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

| | | Fixed interest maturing in: | | | | |
|---|---|---|---|---|---|---|
| | Floating interest | 1 year or less | Over 1 to 5 years | More than 5 years | Non-interest bearing | Total |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **2012** | | | | | | |
| **Financial assets** | | | | | | |
| Cash and cash equivalents | 3,919 | 80,521 | - | - | - | 84,440 |
| Trade and other receivables | - | - | - | - | 4,691 | 4,691 |
| **Total financial assets** | 3,919 | 80,521 | - | - | 4,691 | 89,131 |
| Weighted average interest rate | 4.75% | 5.82% | | | | |
| **Financial liabilities** | | | | | | |
| Trade and other payables | - | 914 | - | - | 14,364 | 15,278 |
| Trust funds and deposits | - | - | - | - | 5,209 | 5,209 |
| Interest bearing loans and borrowings | - | 279 | 1,387 | 426 | - | 2,092 |
| Employee Benefits (Vision Super Call) | - | 10,386 | - | - | - | 10,386 |
| **Total financial liabilities** | - | 11,579 | 1,387 | 426 | 19,573 | 32,965 |
| Weighted average interest rate | | 8.49% | 8.49% | 8.49% | | |
| **Net financial assets (liabilities)** | 3,919 | 68,942 | (1,387) | (426) | (14,882) | 56,166 |
| **2011** | | | | | | |
| **Financial assets** | | | | | | |
| Cash and cash equivalents | 7,667 | 70,226 | - | - | - | 77,893 |
| Trade and other receivables | - | - | - | - | 5,257 | 5,257 |
| **Total financial assets** | 7,667 | 70,226 | - | - | 5,257 | 83,150 |
| Weighted average interest rate | 3.79% | 5.58% | | | | |
| **Financial liabilities** | | | | | | |
| Trade and other payables | - | - | - | - | 12,229 | 12,229 |
| Trust funds and deposits | - | - | - | - | 4,745 | 4,745 |
| Interest bearing loans and borrowings | - | 256 | 1,273 | 819 | - | 2,348 |
| **Total financial liabilities** | - | 256 | 1,273 | 819 | 16,974 | 19,322 |
| Weighted average interest rate | | 8.49% | 8.49% | 8.49% | | |
| **Net financial assets (liabilities)** | 7,667 | 69,970 | (1,273) | (819) | (11,717) | 63,828 |

## NOTE 31 FINANCIAL INSTRUMENTS (CONTINUED)

### (e) Interest rate risk (continued)

**Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates sourced from the Reserve Bank of Australia):

- A parallel shift of + 1% and -0.5% in market interest rates (AUD) from year-end rates of 3.5%.

The table below discloses the impact on surplus or deficit and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

| | Carrying amount subject to Interest rate risk | -0.5% 50bp decrease | | 1% 100bp increase | |
|---|---|---|---|---|---|
| | | Surplus | Equity | Surplus | Equity |
| | $'000 | $'000 | $'000 | $'000 | $'000 |
| **2012** | | | | | |
| Cash and cash equivalents | 84,440 | (422) | (422) | 844 | 844 |

| | Carrying amount subject to Interest rate risk | -2% 200bp decrease | | 1% 100bp increase | |
|---|---|---|---|---|---|
| | | Surplus | Equity | Surplus | Equity |
| | $'000 | $'000 | $'000 | $'000 | $'000 |
| **2011** | | | | | |
| Cash and cash equivalents | 77,893 | (1,558) | (1,558) | 779 | 779 |

### (f) Net fair values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

| Financial Instruments | Carrying amount | | Net fair value | |
|---|---|---|---|---|
| | 2012 $'000 | 2011 $'000 | 2012 $'000 | 2011 $'000 |
| **Financial assets carried at fair value** | - | - | - | - |
| **Financial assets carried at amortised cost** | | | | |
| Cash and cash equivalents | 84,440 | 77,893 | 84,440 | 77,893 |
| Trade and other receivables | 4,691 | 5,257 | 4,691 | 5,257 |
| **Total** | 89,131 | 83,150 | 89,131 | 83,150 |
| **Financial liabilities carried at fair value** | - | - | - | - |
| **Financial liabilities carried at amortised cost** | | | | |
| Trade and other payables | 15,278 | 12,229 | 15,278 | 12,229 |
| Total trust funds and deposits | 5,209 | 4,745 | 5,209 | 4,745 |
| Interest bearing loans and borrowings | 2,092 | 2,348 | 2,092 | 2,348 |
| Employee Benefits (Vision Super Call) | 10,386 | - | 10,386 | - |
| Total | 32,965 | 19,322 | 32,965 | 19,322 |

### (g) Fair value hierarchy

There were no financial instruments carried at fair value at balance date.

| | | 2012 $'000 | 2011 $'000 |
|---|---|---|---|
| **NOTE 32** | **AUDITORS' REMUNERATION** | | |
| | External audit fees - Victorian Auditor General | 61 | 60 |
| | Internal audit fees - PricewaterhouseCoopers | 136 | 117 |
| | | 197 | 177 |

**NOTE 33 SUBSEQUENT EVENTS**

There were no material events occurring after balance date that require disclosure in the Financial Report.

**NOTE 34 RELATED PARTIES**

**(a) Responsible Persons**

The names of persons holding the position of a Responsible Person at Council at any time during the financial year are:

**Councillors**
Andrew Munroe
Bill Pemberton
Robert Chong AM
Helen Harris OAM
Mark Lane (Mayor) - Mayor from 6 December 2011
Raylene Carr
Sharon Ellis
John Koutras
Philip Daw
Ben Stennett - Mayor from 8 December 2010 to 5 December 2011

**Chief Executive Officer**
Noelene Duff

**(b) Remuneration of Responsible Persons**

The number of Responsible Persons whose total remuneration, including superannuation, from Council fall within the following bands:

| | 2012 Number | 2011 Number |
|---|---|---|
| **Total remuneration range** | | |
| < $10,000 | - | - |
| $10,000 - $19,999 | - | - |
| $20,000 - $29,999 | 8 | 8 |
| $30,000 - $39,999 | - | - |
| $40,000 - $49,999 | - | 1 |
| $50,000 - $59,999 | 1 | - |
| $60,000 - $69,999 | 1 | 1 |
| $70,000 - $99,999 | - | - |
| $100,000 - $199,999 | - | - |
| $200,000 - $299,999 | - | - |
| $300,000 - $349,999 | 1 | 1 |
| | 11 | 11 |
| Total remuneration for the reporting year of Responsible Persons included above amounted to: | $691,234 | $670,432 |

## NOTE 34 RELATED PARTIES (CONTINUED)

### (b) Remuneration of Responsible Persons (continued)

**Retirement benefits**
No retirement benefits have been made by Council to a Responsible Person during the reporting year (2010/11: nil).

**Loans**
No loans have been made, guaranteed or secured by Council to a Responsible Person during the reporting year (2010/11: nil).

**Other transactions**
No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or related parties of Responsible Persons during the reporting year (2010/11: nil).

### (c) Remuneration of Senior Officers

A Senior Officer, other than a Responsible Person, is an officer of Council whose total annual remuneration exceeds $127,000, or if remuneration is less than $127,000 has management responsibilities and reports directly to the Chief Executive Officer.

The number of Senior Officers, other than Responsible Persons, whose total remuneration, including superannuation, from Council fall within the following bands:

| | 2012 Number | 2011 Number |
|---|---|---|
| **Total remuneration range** | | |
| < $127,000 | 3 | 5 |
| $127,000 - $129,999 | - | 2 |
| $130,000 - $139,999 | 4 | 3 |
| $140,000 - $149,999 | 2 | 2 |
| $150,000 - $159,999 | 5 | 4 |
| $160,000 - $169,999 | 2 | 2 |
| $170,000 - $179,999 | 2 | 1 |
| $180,000 - $189,999 | - | 1 |
| $190,000 - $199,999 | - | - |
| $200,000 - $209,999 | 1 | 1 |
| $210,000 - $219,999 | 1 | 1 |
| $220,000 - $229,999 | 1 | 1 |
| $230,000 - $239,999 | 1 | - |
| | 22 | 23 |
| Total remuneration for the reporting year of Senior Officers included above amounted to: | $3,378,109 | $3,261,044 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 35 FUNCTIONS / ACTIVITIES OF THE MUNICIPALITY

Revenue and expenses (excluding internal recharges) have been attributed to the following functions/activities, descriptions of which are set out below:

| 2012 | Executive | | Treasury Services | | Corporate Services | | Human Services | | City Development | | Infrastructure | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 |
| Grants and subsidies | - | - | 4,984 | 2,923 | 251 | 260 | 12,047 | 12,167 | - | 434 | 120 | 30 | 17,402 | 15,814 |
| Other revenue | 94 | 59 | 84,696 | 86,848 | 6,150 | 6,670 | 22,078 | 18,794 | 11,050 | 6,183 | 7,197 | 9,340 | 131,265 | 127,894 |
| Revenue | 94 | 59 | 89,680 | 89,771 | 6,401 | 6,930 | 34,125 | 30,961 | 11,050 | 6,617 | 7,317 | 9,370 | 148,667 | 143,708 |
| % of Total | 0.1% | 0.0% | 60.3% | 62.6% | 4.3% | 4.8% | 23.0% | 21.5% | 7.4% | 4.6% | 4.9% | 6.5% | 100.0% | 100.0% |
| Expenses | 4,903 | 4,859 | 26,890 | 21,231 | 25,279 | 14,699 | 46,301 | 45,455 | 23,752 | 24,806 | 22,763 | 24,603 | 149,888 | 135,654 |
| % of Total | 3.3% | 3.6% | 17.9% | 15.7% | 16.9% | 10.8% | 30.9% | 33.5% | 15.8% | 18.3% | 15.2% | 18.1% | 100.0% | 100.0% |
| **Net surplus (deficit)** | (4,809) | (4,800) | 62,790 | 68,540 | (18,878) | (7,769) | (12,176) | (14,494) | (12,702) | (18,189) | (15,446) | (15,233) | (1,221) | 8,054 |

| 2011 | Executive | | Treasury Services | | Corporate Services | | Human Services | | City Development | | Infrastructure | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 | Actual $'000 | Budget $'000 |
| Grants and subsidies | - | - | 3,871 | 3,814 | 262 | - | 12,297 | 11,136 | 635 | 822 | 114 | 35 | 17,179 | 15,807 |
| Other revenue | 83 | 62 | 77,944 | 76,556 | 6,351 | 5,830 | 19,750 | 19,544 | 6,896 | 5,931 | 6,225 | 6,195 | 117,249 | 114,118 |
| Revenue | 83 | 62 | 81,815 | 80,370 | 6,613 | 5,830 | 32,047 | 30,680 | 7,531 | 6,753 | 6,339 | 6,230 | 134,428 | 129,925 |
| % of Total | 0.1% | 0.0% | 60.9% | 61.9% | 4.9% | 4.5% | 23.8% | 23.6% | 5.6% | 5.2% | 4.7% | 4.8% | 100.0% | 100.0% |
| Expenses | 4,775 | 5,066 | 19,652 | 21,643 | 15,855 | 14,063 | 43,446 | 43,114 | 22,266 | 22,584 | 21,730 | 21,733 | 127,724 | 128,203 |
| % of Total | 3.7% | 4.0% | 15.4% | 16.9% | 12.5% | 10.9% | 34.0% | 33.6% | 17.4% | 17.6% | 17.0% | 17.0% | 100.0% | 100.0% |
| **Net surplus (deficit)** | (4,692) | (5,004) | 62,163 | 58,727 | (9,242) | (8,233) | (11,399) | (12,434) | (14,735) | (15,831) | (15,391) | (15,503) | 6,704 | 1,722 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 35 FUNCTIONS/ACTIVITIES OF THE MUNICIPALITY (CONTINUED)

At balance date the activities of the municipality are categorised into the following broad functions:

**Executive**
The Executive area provides management and leadership of the organisation as well as liaison with ratepayers and residents of the city. It includes the office of the Chief Executive and administrative support for the Councillors. It provides support for formal Council functions, Governance and Communications. The division also provides support to Council and the community through its Civic Services and Customer Service Centres.

**Treasury Services**
The Treasury section details the movement of funds related to the Victoria Grants Commission, rate revenue, capital income, interest income and expenses, depreciation and sale of assets.

**Corporate Services**
Corporate Services provides the city with the Financial, Information Systems, Property and Rating tools necessary for effective management of its resources. The division has responsibility for the day to day management of the city's financial assets. This division also incorporates the Organisation Development department; managing the Human Resources, Occupational Health and Safety, and the Compliance department incorporating Local Laws, Traffic Management and Risk Management.

**Human Services**
Human Services division provides the delivery of human services to the ratepayers and residents. This includes supervising the areas of management of Community Care, Parks and Recreation, Health and Family Services, Children's Services and Leisure Services.

**City Development**
City Development provides the services of an essentially physical nature to the ratepayers and residents. These services include Engineering, Environmental Services, and Statutory Planning, Building Services and Business Development.

**Infrastructure**
Infrastructure is responsible for City Works, monitoring Capital Works, Parkswide, the Waste and Recycling Centre and management of the Council's plant and fleet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

## NOTE 36 FINANCIAL RATIOS (PERFORMANCE INDICATORS)

| | 2012 $'000 | | 2012 % | 2011 $'000 | | 2011 % | 2010 $'000 | | 2010 % |
|---|---|---|---|---|---|---|---|---|---|
| **a) Debt servicing ratio** | | | | | | | | | |
| Debt servicing costs | 190 | = | 0.13% | 211 | = | 0.16% | 230 | = | 0.18% |
| Total revenue | 142,321 | | | 135,530 | | | 128,722 | | |

This ratio identifies Council's capacity to service its outstanding debt. The ratio is expressed as the amount of debt servicing costs paid as a percentage of Council's total revenue. Debt servicing costs refer to the payment of interest on borrowings, finance lease interest and bank overdraft.

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **b) Debt commitment ratio** | | | | | | | | | |
| Debt servicing and redemption costs | 446 | = | 0.56% | 446 | = | 0.61% | 448 | = | 0.66% |
| Rate revenue | 79,996 | | | 73,160 | | | 67,953 | | |

This ratio identifies Council's debt redemption strategy. The strategy involves the payment of loan principal and interest, and finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **c) Revenue ratio** | | | | | | | | | |
| Rate revenue | 79,996 | = | 56.21% | 73,160 | = | 53.98% | 67,953 | = | 52.79% |
| Total revenue | 142,321 | | | 135,530 | | | 128,722 | | |

This ratio identifies Council's dependence on rate revenue. The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of Council's total revenue.

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **d) Debt exposure ratio** | | | | | | | | | |
| Total liabilities | 45,053 | = | 1 : 34.09 | 30,546 | = | 1 : 49.97 | 30,598 | = | 1 : 51.21 |
| Total realisable assets | 1,535,816 | | | 1,526,418 | | | 1,566,967 | | |

This ratio identifies Council's solvency and exposure to debt. For the purpose of calculating this ratio, realisable assets are those assets which can be sold and which are not subject to any restrictions on realisation or use. Land and buildings on Crown land, road and drainage infrastructure assets, restricted assets, investments in associates are excluded from total assets when calculating Council's realisable assets. The ratio expresses realisable assets for each dollar of liabilities.

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **e) Working capital ratio/liquidity ratio** | | | | | | | | | |
| Current assets | 93,607 | = | 2.20 : 1 | 86,394 | = | 3.10 : 1 | 86,086 | = | 3.12 : 1 |
| Current liabilities | 42,523 | | | 27,890 | | | 27,633 | | |

This ratio assesses Council's ability to meet current commitments. The ratio expresses the level of current assets Council has available to meet its current liabilities.

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **f) Adjusted working capital ratio/liquidity ratio** | | | | | | | | | |
| Current assets | 93,607 | = | 2.64 : 1 | 86,394 | = | 4.07 : 1 | 86,086 | = | 4.02 : 1 |
| Adjusted current liabilities | 35,458 | | | 21,217 | | | 21,433 | | |

This ratio assesses Council's ability to meet current commitments. The ratio expresses the level of current assets Council has available to meet its adjusted current liabilities. Adjusted current liabilities is calculated as current liabilities less the long service leave that is shown as a current liability as it is not likely to fall due within 12 months after the end of the period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

NOTE 36 FINANCIAL RATIOS (PERFORMANCE INDICATORS) (CONTINUED)

| | 2012 $'000 | 2012 % | 2011 $'000 | 2011 % | 2010 $'000 | 2010 % |
|---|---|---|---|---|---|---|
| **g) Underlying result** | | | | | | |
| Underlying surplus/(deficit)* / Underlying revenue | (4,933) / 145,077 = | (3.40)% | 6,140 / 134,966 = | 4.55% | 4,388 / 125,989 = | 3.48% |

This is a measure of Council's surplus/(deficit) as a percentage of its revenue, adjusted for non-monetary developer contributions, significant one-off adjustments and proceeds from the sale of assets. Where a surplus is made, the higher the percentage, the stronger the result.

* The underlying deficit result for 2011/12 was due to the Vision Super Defined Benefit Scheme Unfunded Liability call of $11.3 million.

**h) Indebtedness**

| | | | | | | |
|---|---|---|---|---|---|---|
| Non-current liabilities / Own sourced revenue | 2,530 / 117,054 = | 2.16% | 2,656 / 115,051 = | 2.31% | 2,965 / 104,817 = | 2.83% |

This ratio compares non-current liabilities (which mainly comprises interest bearing loans and borrowings) to own sourced revenue. The higher the percentage, the less Council is able to cover its non-current liabilities from the revenue it generates. Own sourced revenue is used rather than total revenue because it does not include grants, which are usually tied to specific projects.

**i) Self-financing**

| | | | | | | |
|---|---|---|---|---|---|---|
| Net operating cash flows / Underlying revenue | 32,268 / 145,077 = | 22.24% | 24,376 / 134,966 = | 18.06% | 28,107 / 125,989 = | 22.31% |

This ratio measures Council's ability to replace assets using cash generated from its operations. The higher the percentage, the more effectively this can be done.

**j) Investment gap**

| | | | | | | |
|---|---|---|---|---|---|---|
| Capital spend / Depreciation | 31,353 / 20,073 = | 1.56 : 1 | 26,246 / 19,028 = | 1.38 : 1 | 24,531 / 20,066 = | 1.22 : 1 |

This ratio compares Council's rate of spending on infrastructure with depreciation. Ratios higher than 1:1 indicates that spending on infrastructure is greater than the depreciation rate. It is a long-term indicator, as capital expenditure can be deferred if there are insufficient funds available from operations, and borrowing is not an option.

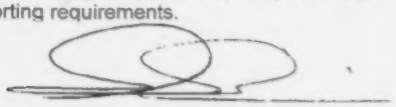
**k) Renewal gap**

| | | | | | | |
|---|---|---|---|---|---|---|
| Renewal expenditure / Depreciation | 23,910 / 20,073 = | 1.19 : 1 | 21,371 / 19,028 = | 1.12 : 1 | 19,897 / 20,066 = | 0.99 : 1 |

This ratio compares Council's rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. Ratios higher than 1:1 indicates that spending on existing assets is greater than the depreciation rate. Similar to the investment gap, this is a long-term indicator, as capital expenditure can be deferred in the short-term if there are insufficient funds from operations, and borrowing is not an option.

## CERTIFICATION OF THE FINANCIAL REPORT

In my opinion, the Financial Report of Whitehorse City Council for the year ended 30 June 2012 has been prepared in accordance with the *Local Government Act (1989)*, the *Local Government (Finance and Reporting) Regulations (2004)*, Australian Accounting Standards, and other mandatory professional reporting requirements.



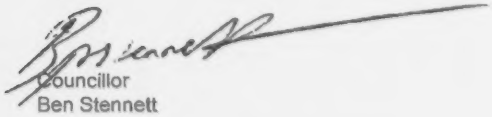
Principal Accounting Officer
Marc Giglio FCPA

Dated: 10 September 2012
Nunawading

In our opinion, the Financial Report presents fairly the financial transactions of Whitehorse City Council for the year ended 30 June 2012 and the financial position of Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the Financial Report to be misleading or inaccurate.

We were authorised by Council on 20 August 2012 to certify the Financial Report in its final form on behalf of Council.

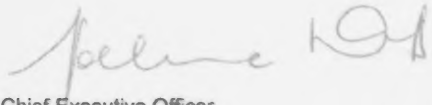


Councillor
Ben Stennett

Dated: 10 September 2012
Nunawading

Councillor
Robert Chong AM

Dated: 10 September 2012
Nunawading



Chief Executive Officer
Noelene Duff

Dated: 10 September 2012
Nunawading

VAGO

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# INDEPENDENT AUDITOR'S REPORT

**To the Councillors, Whitehorse City Council**

*The Standard Statements and Financial Report*

The accompanying standard statements for the year ended 30 June 2012 of the Council which comprises the standard comprehensive income statement, standard balance sheet, standard cash flow statement, standard capital works statement, the related notes and the certification of the standard statements have been audited.

The accompanying financial report for the year ended 30 June 2012 of Whitehorse City Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, cashflow statement, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

*The Councillors' Responsibility for the Standard Statements and Financial Report*

The Councillors of the Whitehorse City Council are responsible for the preparation and the fair presentation of:

- the standard statements in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*
- the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the standard statements and financial report that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the standard statements and financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the standard statements and financial report are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standard statements and financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the standard statements and financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the standard statements and financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating:

- the appropriateness of the accounting policies used in the financial report
- the reasonableness of accounting estimates made by the Councillors
- the overall presentation of the standard statements and financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

*Opinion*

In my opinion:

(a) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in Note 1 to the statements and comply with the requirements of the *Local Government Act 1989*

(b) the financial report presents fairly, in all material respects, the financial position of Whitehorse City Council as at 30 June 2012 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

*Basis of Accounting for Standard Statements*

Without modifying my opinion, I draw attention to Note 1 to the standard statements, which describes the basis of accounting. The standard statements are prepared to meet the requirements of the *Local Government Act 1989*. As a result, the standard statements may not be suitable for another purpose.

*Matters Relating to the Electronic Publication of the Audited Standard Statements and Financial Report*

This auditor's report relates to the standard statements and financial report of the Whitehorse City Council for the year ended 30 June 2012 included both in the Whitehorse City Council's annual report and on the website. The Councillors of the Whitehorse City Council are responsible for the integrity of the Whitehorse City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the standard statements and financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited standard statements and financial report to confirm the information contained in the website version of the standard statements and financial report.

MELBOURNE
13 September 2012

D D R Pearson
*Auditor-General*

**Acknowledgement of Country**

In the spirit of reconciliation, Whitehorse City Council acknowledges the Wurundjeri people as the traditional owners of the land now known as Whitehorse and pays respect to its elders past and present.

CONTACTING COUNCIL

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Fax: 9262 6490

TTY: 9262 6325 (Service for deaf or hearing impaired people)

TIS: 131 450 (Telephone interpreter service. Call and ask to be connected to Whitehorse City Council)

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customer.service@whitehorse.vic.gov.au

**Website**
www.whitehorse.vic.gov.au

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Nunawading 3131

Box Hill Service Centre
Box Hill Town Hall
1022 Whitehorse Road
Box Hill 3128

Forest Hill Service Centre
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Forest Hill Chase Shopping Centre
Canterbury Road
Forest Hill 3131

An electronic version of the Whitehorse Annual Report 2011/12 is available on Council's website
www.whitehorse.vic.gov.au

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